

AGREEMENT

BY AND BETWEEN

AT&T OF PUERTO RICO, INC.

AND

**COMMUNICATIONS WORKERS
OF AMERICA**

April 12, 2015



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2015 MEMORANDUM OF AGREEMENT

It is hereby agreed by and between AT&T of Puerto Rico, Inc. (hereinafter referred to as the "Company") and the Communications Workers of America (hereinafter referred to as the "Union") as follows:

PROVISIONS OF THE 2015 MEMORANDUM OF AGREEMENT

All provisions of the 2012 Memorandum of Agreement between AT&T of Puerto Rico, Inc. and the Communications Workers of America, which includes Articles, Exhibits, Appendices and Other Agreements, and any past practices incident to it shall be superseded and replaced in their entirety by the provisions of this Memorandum of Agreement.

THE 2015 AGREEMENT

The 2015 Agreement shall consist of the Table of Contents, Articles 1 through 26, Exhibits and Appendices related thereto. This Agreement is made and entered into the 12TH day of April, 2015, by and between AT&T of Puerto Rico, Inc. (hereinafter referred to as the "Company") and the Communications Workers of America (hereinafter referred to as the "Union").

ARTICLE 1 – RECOGNITION

1 Certification of Membership

The Union hereby certifies that it represents the majority of the employees to whom the Agreement applies, and the Union is the acknowledged, designated and selected collective bargaining representative of such members.

2 Recognition

The Company recognizes the Union as the exclusive representative of those employees whose current job titles are listed in Appendix 1(A) and those whose job titles are created pursuant to the provisions of Article 17 (New Job titles and Job Classifications) of this Agreement, and whose permanent work location is within the Commonwealth of Puerto Rico.

3 Federal and Commonwealth Laws

In the event that any provision of this Agreement should be modified or deleted to conform to any federal or Commonwealth law or regulation, or any order, determination or ruling or regulation of a federal or Commonwealth administrative agency or court, the Company shall notify the Union in writing. Negotiations shall then take place if requested by the Union. In the event of such negotiations, the changes proposed by the Company shall not be implemented until (a) agreement is reached, or (b) the Company determines that timely action is required by the law, regulation, order, determination or ruling, whichever occurs sooner.

ARTICLE 2 – COLLECTIVE BARGAINING

- 1 The parties hereto agree that collective bargaining shall be carried on between the authorized representative(s) of the Company and the Union, and that no Agreement shall be effective and binding upon the Company or the Union unless and until it is reduced to writing and signed by the Director of Labor Relations or his or her designee and by the authorized representative of the National Union.
- 2 This Agreement constitutes the entire agreement between the parties, and no waiver or modification shall be effective unless signed by the parties hereto, and no such writing, applicable to any particular instance or instances shall be construed as any general waiver or modification, but shall be strictly limited to the extent and occasion specified herein.

- 3 Subject only to the limitations contained in this Agreement, the Company retains the exclusive right to manage its business including (but not limited to) the right to determine the methods and means by which its operations are to be carried on, to assign and direct the work force, and to conduct its operations in a safe and effective manner.

- 4 **Mutual Respect**

The Company and the Union recognize that it is in the best interest of both parties, the employees, and the public that all dealings between them continue to be characterized by mutual respect. To insure that this relationship continues and improves, the Company and the Union and their respective representatives at all levels will apply the terms of this Contract fairly in accord with its intent and meaning, and consistent with the Union's status as the exclusive bargaining representative of all employees in the unit. Each party shall bring to the attention of all employees in the unit, including new hires, their purpose to conduct themselves in a spirit of responsibility and respect and of the measures they have agreed upon to insure adherence to this purpose.

ARTICLE 3 – DEFINITIONS

The following definitions are applicable within this Agreement:

1 Definitions Relating to Hours of Work

- (a) **Calendar Year:** A calendar year is the period beginning January 1 and ending December 31.
- (b) **Calendar Week:** A calendar week is the period of seven (7) consecutive days commencing at 12:01 A.M. on Sunday and ending at midnight on Saturday.
- (c) **Normal Work Week:** A normal work week consists of five (5) normal tours or their equivalent during a calendar week.
- (d) **Day:**

- (1) **Calendar Day:** The twenty-four (24) hour period beginning at midnight.
- (2) **Scheduled Day:** A calendar day on which an employee is scheduled to work.
- (3) **Non-Scheduled Day:** A calendar day on which an employee is not scheduled to work.

- (e) **Meal period**

A meal period is an unpaid period of no longer than one (1) hour, which must be scheduled in accordance with the provision of Article 21, Paragraph 3.

- (f) **Relief Period**

A relief period is a rest period of fifteen (15) minutes, which shall be considered as work time.

- (g) **Work Time (Communications Technicians)**

- (1) **Tour:** A tour is a period of work time, whether scheduled or not, which begins and ends at a specific time, exclusive of any meal period. The starting time of a tour determines the day on which a tour occurs.
- (2) **Day Tour:** A day tour is a regularly scheduled tour, which falls wholly within the time frames of 5:00 A.M. to 7:00 P.M.
- (3) **Night Tour:** A night tour is a regularly scheduled tour, which falls wholly or partially within the time frames of 7:00 P.M. to 5:00 A.M.
- (4) **Half Tour:** A half tour is one-half (1/2) the length of a normal tour.
- (5) **Regularly Scheduled Tour:** The hours of work scheduled for an individual employee for a particular day, beginning and ending at a specified time, exclusive of unpaid meal periods.
- (6) **Normal Tour:** A normal tour is the number of hours of work (exclusive of meal period) of which constitutes a full day's work for a full-time employee.

- (h) **Work Time (All other employees):**

Notwithstanding paragraph (g) above, the following definitions apply to all employees except Communications Technicians.

- (1) **Tour:** A tour is a period of work time, whether scheduled or not which begins and ends at a specific time, exclusive of any meal period. The starting time of a tour determines the day on which a tour occurs.
- (2) **Day Tour:** a day tour is a regularly scheduled tour which falls wholly within the time frames of 5:00 A.M. and 7:00 P.M.
- (3) **Night Tour:** A night tour is a regularly scheduled tour which starts between 10:00 P.M. and midnight.
- (4) **Evening Tour:** An evening tour is a regularly scheduled, non-night tour which ends after 7:00 P.M.
- (5) **Split Tour:** A split tour is a regularly scheduled tour which is divided into two parts. Split tours shall not have less than four (4) hours between sessions.
- (6) **Scheduled Premium Tour:** A scheduled premium tour is one for which an employee will be paid at the appropriate overtime rate for time worked in excess of his or her normal work week, provided the normal work week is actually worked.

2 Definitions Relating to Wage Rates

- (a) **Hourly Basic Wage Rate:** The hourly basic wage rate is the equivalent of the rate for each hour of work during the regularly scheduled tour exclusive of differentials and all other payments.
- (b) **Daily Basic Wage Rate:** The daily basic wage rate is the rate determined by multiplying the hourly basic wage rate by eight (8).
- (c) **Weekly Basic Wage Rate:** The weekly basic wage rate is the rate determined by multiplying the daily basic wage rate times five (5).

3 Definitions Relating to Types of Employees

- (a) **Regular Employees:** Regular employees are those whose employment is reasonably expected to continue for longer than twelve (12) months. A regular employee may be either full-time or part-time.
- (b) **Temporary Employees:** A temporary employee is one who is engaged for a specific project or for a limited period with a definite understanding that employment will terminate upon completion of the project or at the end of the period. Temporary employment is expected to continue for not more than twelve (12) months. A temporary employee may be either full-time or part-time.
- (c) **Full-Time Employees:** Full-time employees are those who are employed for not fewer than forty (40) hours per week.
- (d) **Part-Time Employees:** Part-time employees are those who are employed and normally scheduled to work fewer hours than a full-time employee.

4 Definitions – Other

- (a) **Net Credited Service:** Net Credited Service shall mean “term of employment” as set forth in the AT&T Pension Plan.

Article 3

- (b) **Seniority:** Seniority shall be determined by the Net Credited Service of the employees affected. When the affected employees have the same net credited service, seniority shall be determined by using the last four (4) digits of the employee's social security numbers, 0000 being the lowest seniority, and 9999 being the highest seniority.
- (c) **Administrative Work Group:** An administrative work group is a group of employees having a commonality of interest in terms of one or more of the following: location, supervision, or job assignment.
- (d) **Work Location:** A work location is a designated Company building where an employee is assigned to report.
- (e) **Permanent Transfer:** A reassignment of an employee to another work location for a period expected to continue for one hundred eighty (180) calendar days or longer.
- (f) **Temporary Transfer:** A reassignment of an employee to another work location for a period expected to continue for less than one hundred eighty (180) calendar days.

ARTICLE 4 – AUTHORIZED UNION REPRESENTATIVES

1 Notices Regarding Union Organization

The Union agrees that its President or a person duly empowered to act in the President's behalf shall keep the Company currently advised, in writing, of the representatives of the National Union who are authorized to deal with the Company regarding employees in the bargaining unit and regarding such matters as designating the Locals which have been established, designating the officers or other authorized representatives of such Locals, and indicating the jurisdiction of such Locals and their representatives. The Union agrees, further, that such notifications and authorizations shall designate the Union representative or representatives to whom notices, information, certifications, and services by Company representatives, as are provided for in this Agreement, shall be directed or furnished.

2 Promotion, Transfer Assignment of Union Officers

- (a) The Company shall not permanently promote or transfer any employee who is serving as a duly elected Officer or Executive Board Representative or Chief Steward (or their equivalent) to a position that would affect the employee's status as a Union Officer, Executive Board Representative or Chief Steward (or their equivalent) without first obtaining the consent of the Union. The foregoing consent of the Union will not be required if the transfer is to be accomplished pursuant to the provisions of Article 24 (Force Adjustment). The Company shall give the President of the Local Union written notice of at least fourteen (14) calendar days prior to the effective date of the promotion or transfer, and the Union shall conclusively be presumed to have consented to such a promotion or transfer unless within two (2) weeks after the Union receives such notification, it advises the Company in writing that it does not consent.

- (b) The Company shall give the Union office at least one (1) week prior notice to the effective date of the promotion or transfer of a duly elected or appointed Steward of the Union when the promotion or transfer affects the employee's status as a representative of the Union.

3 Absence for Union Activities

- (a) Operational requirements of the Company permitting, employees who are authorized representatives of the Union will be excused without pay, except as specified in Article 9 (Grievance Procedure) of this Agreement, at the request of an authorized representative of the Union to attend to the business of the Union. The Union shall make all requests for excused absences as far in advance as possible.
- (b) If an employee's total excused unpaid time off for Union business exceeds seventy-five (75) work days in a calendar year for Stewards, or one hundred fifty (150) calendar days for duly elected Officers of the Local, or exceeds thirty (30) consecutive calendar days, the employee shall take a formal leave of absence. Time spent in joint meetings with Management held at the Company's request shall not be included in computing an employee's total excused unpaid time off for Union business. Meetings with Management shall be considered as breaking a continuous period of absence.

4 Leave of Absence for Union Activities

- (a) Requests for leaves of absence without pay while on business pertaining to the Union shall be made to the Company by the Union on the employee's behalf.
- (b) The requests shall be in writing and shall contain the reasons for such leaves of absence.
- (c) The leave of absence without pay granted by the Company for Union business shall be for an initial period of not less than thirty (30) calendar days and not to exceed one (1) year.
- (d) Additional leaves of absence for initial periods of thirty (30) days and not to exceed one (1) year, may be granted, all of which shall be with service credit.
- (e) For such leaves of absence, an employee shall:
 - (1) Receive full service credit for all purposes except wage progression;
 - (2) Remain under their current level of benefits for medical, dental, vision and life insurance plans with applicable contributions paid by the employee.
- (f) Meetings with Management during a period of leave of absence shall not be considered as breaking a continuous period of leave of absence and shall be included in the period of such leave.
- (g) Upon application for reinstatement at or prior to expiration of leave of absence, employee(s) shall be returned to a job of like status and pay.

ARTICLE 5 – UNION REPRESENTATION

- 1 At any meeting between a representative of the Company and an employee in which discipline (including warnings which are to be recorded in the personnel file, suspension, demotion, or discharge for cause) is to be announced, a Union representative may be present if the employee so requests.
- 2 At any investigatory interview between a representative of the Company and an employee, wherein the employee reasonably believes that the information obtained may be used as the basis for disciplinary action against the interviewed employee, a Union representative may be present if the employee so requests.

ARTICLE 6 – UNION ACTIVITIES

1 Bulletin Boards

The Company agrees that it will furnish and mount bulletin boards to be used exclusively by the Union at each office or facility location, except at locations in buildings not owned by the Company where the landlord or owner objects. The location, number, size and construction of such bulletin boards shall be subject to the approval of the Company. The use of such bulletin boards shall be considered proper when confined to factual notices and announcements of the Union.

Material to be posted shall not contain anything of a controversial nature, anything derogatory to the Company or employees, or anything that will detrimentally affect Company operations. If the Company objects to any posted material, the Union shall remove the objectionable material immediately.

2 Union Activity on Company Premises

- (a) The Union, or employees acting as its officers or agents, may conduct Union activities, including solicitation of members and distribution of Union literature, on Company premises with notification to Local Management. Solicitation shall be permitted on Company premises when both the employees performing the solicitation and the employees to whom the solicitation is directed are on non-work time (such as meal periods, relief periods, and before or after an employee's work time). Distribution of Union literature may take place only in areas where no work is performed and on the employee's non-work time. Union activities shall not be conducted in a manner which will interfere with the operations of the business or with Company facilities.
- (b) Union representatives or members who are not employees may enter Company premises after obtaining approval from a Management representative of the Company. To avoid the need to obtain such approval each time a Union representative or member who is not an employee of the Company wishes to enter upon any Company premises, the Company's Director-Human Resources may, upon application by the Union, grant approval for all Company locations designated in the approval for a stated period of time.

3 Union Orientation for New Employees

The Company and the Union agree that the Union will have the opportunity to meet with newly hired employees as part of the overall orientation process for the purpose of furnishing them with information about the Union. The Union's segment of this process will be limited to a maximum of sixty (60) minutes. Time spent during the basic scheduled work period for each employee will be paid as time worked.

In addition, the Company also agrees to introduce employees transferring into a different administrative work group to the Local Union representative assigned to that area.

4 Payment for Joint Union – Management Activities

Employees who are involved in joint Union-Management business may request that their reasonable time and expenses while participating in such activities be paid by the Company. If approved in advance, these employees will be paid for time lost while participating in such activities during their Basic Weekly Work Schedule. This includes any associated travel time during the employee's Basic Weekly Work Schedule. Hours paid while engaged in such joint activities will be considered as time worked.

In addition, such employees will be reimbursed for reasonable travel and board and lodging expenses which are directly related to their participation in these activities.

ARTICLE 7 – AGENCY SHOP AND COLLECTION OF DUES

1 Agency Shop

- (a) Each employee who is a member of the Union or who is obligated to tender to the Union amounts equal to periodic dues on the effective date of this Agreement, or who later becomes a member, and all employees entering into the bargaining unit on or after the effective date of this Agreement shall, as a condition of employment, pay or tender to the Union amounts equal to the periodic dues applicable to members, for the period from such effective date, or, in the case of employees entering into the bargaining unit after the effective date, on or after the thirtieth (30th), day of such entrance, whichever of these dates is later, until the termination of this Agreement.
- (b) For the purpose of this section, “employee” shall mean any person entering into the bargaining unit.
- (c) Each employee who is a member of the bargaining unit on or before the effective date of this Agreement and who on the effective date of this Agreement was not required as a condition of employment to pay or tender to the Union amounts equal to the periodic dues applicable to members, shall, as a condition of employment pay or tender to the Union amounts equal to the periodic dues applicable to members for the period beginning thirty (30) days after the effective date of this Agreement, until the termination of this Agreement.
- (d) The condition or employment specified above shall not apply during periods of formal separation from the bargaining unit by any such employee, but shall re-apply to such employee on the thirtieth (30th) day following his or her return to the bargaining unit. For purposes of this Paragraph, the term “formal separation” shall include transfers out of the bargaining unit, removal from the payroll of the Company, and leaves of absence of more than one (1) month duration.
- (e) The Company may inform employees and applicants for employment of their rights and obligations under the provisions of this section.

2 Collection of Dues

- (a) Upon receipt of a properly executed written authorization for payroll deduction of an amount equal to Union membership dues (Exhibit 1) and, if requested, initiation fees, signed by any regular or temporary employee, the Company shall make payroll deductions in accordance with that authorization from the employee's wages and payments.
- (b) By written certification, the Union shall keep the Company currently informed of the amount of regular monthly Union membership dues and initiation fees lawfully in effect in each Local of the Union having jurisdiction over any employees in the bargaining unit, and of the jurisdiction of each such Local. An authorization by an employee for deduction of an amount equal to Union membership dues shall be canceled automatically when such employee is permanently transferred out of the bargaining unit or is removed from the payroll of the Company. An authorization by an employee for deduction of an amount equal to Union membership dues shall be suspended during the period in excess of one (1) month during which such employee is temporarily transferred out of the bargaining unit or is on leave of absence for more than one (1) month.
- (c) Those employees who have previously, or hereafter, executed an "Employee Authorization for Payroll Deduction of Union Dues" and "Initiation Fee" form (Exhibit 1) authorizing the Company to make payroll deduction of such amount, may revoke such authorization only as follows:
 - (1) During the fourteen (14) day period prior to the anniversary date of this Collective Bargaining Agreement, or,
 - (2) During the fourteen (14) day period(s) preceding such subsequent annual anniversary date during the life of this Agreement or during the fourteen (14) day period prior to the termination date of this Collective Bargaining Agreement by means of an individual letter sent by the employee by registered or certified mail, return receipt requested, to the Company Payroll Allotments Group and to the Secretary-Treasurer of the Local Union. Such revocation request must be postmarked or received by the Company during the aforementioned fourteen (14) day periods and shall be effective the first (1st) of the month following the date received by the Company.
 - (3) The Company will send copies of dues revocation letters and associated envelopes to the Union on a daily basis, as soon as possible following the Company's receipt thereof.
- (d) A newly executed authorization card signed by the employee shall be required if the employee desires to replace an authorization card under which deductions have been terminated in accordance with the provisions of Paragraphs (c) or (d).
- (e) The Union shall indemnify and save the Company harmless against any and all claims, demands, suits, or other forms of liability that may arise out of or by reason of action taken or not taken by the Company for the purpose of complying with the provisions of this Article, or in reliance on any dues deduction card furnished under the provisions of this Article or on any certification by the Union.

ARTICLE 8 – NON-DISCRIMINATION

- 1 In a desire to restate their respective policies, neither the Company nor the Union shall unlawfully discriminate against any employee because of such employee's race, color, religion, national origin, sex, age, handicap, sexual orientation, gender identity, marital status, or status as a special disabled veteran or veteran of the Vietnam Era or additional characteristic protected by applicable federal or commonwealth law.
- 2 The use of the masculine or feminine gender or any titles which connote gender in this Agreement shall be construed as including both genders and not as sex limitations unless the Agreement clearly requires a different construction.
- 3 It is mutually agreed that no discrimination shall be practiced by the Company or the Union against any employee because of membership or non-membership in the Union, or by the Company against any member or Officer of the Union because of lawful activities on behalf of the Union.

ARTICLE 9 – GRIEVANCE PROCEDURE

- 1 The Company and the Union recognize and confirm that the grievance procedures set forth in this Article 9 and, where applicable, Article 10 (Arbitration), provide the mutually agreed upon and exclusive forums for resolution and settlement of employee disputes during the term of this Agreement. A grievance is a complaint involving the interpretation or application of any of the provisions of this Agreement, or a complaint that an employee(s) has in any manner been unfairly treated. Neither the Company, nor the Union, its Locals or representatives will attempt by means other than the grievance and arbitration procedures to bring about the resolution of any issue which is properly a subject for disposition through such procedures. It shall be the objective of both the Company and the Union to settle the grievance promptly and at the lowest step of the grievance procedure.
- 2 The Company agrees to meet promptly with the representative or representatives of the Union for the purpose of settlement of any dispute or grievance. After a grievance has been filed with the Company, the Company shall not discuss any phase of the grievance with the employee except in the presence of a Union representative.
- 3 The grievance procedure shall consist of:

STEP 1:

Shall involve an authorized representative of the Local Union and the Company's designated representative. Any adjustment or settlement of a grievance at Step 1 shall be binding for the particular grievance involved, but shall not be used as precedent by either party.

No grievance shall be considered, nor shall any appeal thereof be handled as a formal grievance, unless a meeting regarding the grievance is requested in writing within sixty (60) calendar days of the action or failure to act which is the subject of the grievance, or grievances concerning the termination of a probationary employee as set forth in Article 15, Paragraph 3. The written request shall be sent to the duly designated representative of the Company and shall state the name(s) of the grievant(s), the issue being grieved, the contract provisions alleged to have been violated, if any, and the remedy sought, and shall be delivered to the Company representative prior to the Step 1 meeting. A meeting to discuss the grievance shall be held promptly, but not later than fourteen (14) calendar days after receipt by the Company of the grievance or the notice of appeal.

The decision of Management shall be confirmed in writing within fourteen (14) calendar days of the close of the grievance meeting.

STEP 2:

If the grievance is not resolved at Step 1, the Step 2 appeal shall involve an Officer of the Local Union or his/her designee and the Company's designated representative. Notice of the grievance appeal shall be in writing and delivered to the Company's designated representative not later than thirty (30) calendar days after the Company notifies the Union of its decision at Step 1. The written appeal shall state the name(s) of the grievant(s), the issue being grieved, the contract provisions alleged to have been violated, if any, and the remedy sought.

A meeting to discuss the grievance shall be held promptly, but not later than thirty (30) calendar days after receipt by the Company of the notice of the grievance appeal. The decision of the Company at Step 2 of the grievance procedure shall be confirmed in writing within fourteen (14) calendar days of the close of the grievance meeting or not later than a mutually agreed upon date.

STEP 3:

If the grievance is not resolved at Step 2, the Step 3 appeal shall involve the Vice President of the Union or his/her duly authorized representative and the AT&T Labor Relations Vice President or his/her designated representative. Notice of the grievance appeal shall be in writing and delivered to the AT&T Labor Relations Vice President or his/her designated representative not later than thirty (30) calendar days after the Company notifies the Union of its decision at Step 2. The written appeal shall state the name(s) of the grievant(s), the issue being grieved, the contract provisions alleged to have been violated, if any, and the remedy sought. Discussions shall be conducted at such locations mutually agreed upon between the AT&T Labor Relations Vice President and the Union's Vice President.

A meeting to discuss the grievance shall be held promptly, but not later than thirty (30) calendar days after receipt by AT&T of the grievance or the notice of appeal. The decision of AT&T at Step 3 of the grievance procedure shall be confirmed in writing within fourteen (14) calendar days of the close of the grievance meeting(s) or not later than a mutually agreed upon date.

- 4 All notices required pursuant to this Article shall be hand delivered, or sent via electronic mail, or postmarked by the United States Postal Service within the time periods set forth herein.

Article 9

- 5 The Company and the Union desire to process grievances in an expeditious manner. Accordingly, neither party will recess a grievance at Steps 1 or 2 in excess of sixty (60) calendar days. If the grievance meeting is not reconvened within sixty (60) calendar days from the initial recess date, the grievance shall be considered denied. The Union may then appeal the grievance in accordance with the time limits set forth herein.
- 6 The Company and the Union and/or AT&T and the Union may mutually agree to extend the time limits specified in the grievance procedure, provided such agreement is specified in writing, is limited to a specific grievance, and a new date is established.

7 Number of Union Representatives and Pay Treatment

Other than Management representatives, the number of employees (including the aggrieved employee(s) and the designated representative of the Union) shall be limited to four (4) at Step 1 and Step 2 of the grievance procedure with no more than three (3) being AT&T of Puerto Rico employees who shall be paid for scheduled time consumed during the grievance meetings. In addition, each of the three (3) employees shall be paid for all time spent traveling in connection with grievance meetings during a regularly scheduled tour up to a maximum of two (2) hours for each employee at Step 1 and up to a maximum of three (3) hours for each employee at Step 2. At Step 3, at least one (1) of the Union representatives will be a fully authorized representative of the National Union. Hours paid under this Paragraph shall be considered time worked for the purpose of Article 18, Paragraph 1(b).

8 Discussion of Settlement of Grievance

Grievances presented by an employee directly to the Company may be adjusted, without the intervention of the Union, so long as the adjustment is not inconsistent with the terms of this Agreement, and provided that the Union has been given an opportunity to be present at such adjustments.

ARTICLE 10 – ARBITRATION

1 General

If, at any time, a difference arises between the Company and the Union regarding the true intent and meaning of a provision under this Agreement, or a question as to the performance of any obligation hereunder, the grievance procedures set forth in Article 9 shall be employed in an effort to settle said differences. If the grievance procedures do not result in settlement of the differences, the Union may institute proceedings pursuant to this Article to resolve the dispute in question; it being understood that the right to require arbitration extends only to matters expressly set forth in this Article and which are not otherwise expressly excluded from arbitration.

- (a) If, at any time, a dispute arises between the Company and the Union as to whether an employee was dismissed, demoted, or suspended for just cause, the grievance procedures set forth in Article 9 shall be employed in an effort to settle the dispute. If the grievance procedures do not result in settlement of the dispute and the employee has more than nine (9) months of Net Credited Service, the Union may institute proceedings pursuant to this Article to resolve the dispute in question.

2 Election to Arbitrate

Within sixty (60) calendar days after completion of the formal grievance procedure set forth in Article 9, the Union may elect to submit a grievance, which is otherwise subject to arbitration under the terms of this Agreement, to arbitration for final decision in accordance with the procedures herein set forth. Such election shall be by written notice to the AT&T Labor Relations Vice President. The written notice shall state the specific grievance and issue to be arbitrated and the contractual provisions(s) involved, if any, as well as the remedy sought. For purposes of calculating the above sixty (60) day time period, the formal grievance procedure shall be deemed completed as of the date of AT&T's written decision at Step 3.

3 Selection of an Arbitrator

- (a) Any matter submitted to arbitration shall be heard and determined by a single impartial arbitrator mutually selected by the Union and the Company.

The parties shall agree to a master list composed of ten (10) arbitrators from which panels shall be arranged and arbitrators selected. Arbitrators may be removed from the master list by written notice from either party to the other. Replacement of an arbitrator removed from the master list (either by death of the arbitrator or in accordance with this subparagraph) shall be by mutual agreement of the parties.

- (b) After each master list has been agreed upon, the ten (10) arbitrators' names shall be arranged into separate panels of five (5) arbitrators each.
- (c) The parties will select the individual panel from which the arbitrator will be chosen. The parties may either agree upon one (1) arbitrator from the panel or alternately strike arbitrators' names until one (1) remains. If no arbitrator is selected by the parties within 120 days of the Union's written notification that it elects to arbitrate a case as specified in paragraph 2, the arbitration case will be closed.
- (d) The compensation and expenses of the arbitrator and the general administrative expenses of the arbitration shall be borne equally by the Company and the Union. Each party shall be responsible for payment for time consumed by and the expenses of its representatives and witnesses.

4 Conduct of Hearing and Decision of Arbitrator

- (a) The parties agree to commence hearings as expeditiously as possible, but in no event later than one hundred eighty (180) calendar days after the selection of an arbitrator.
- (b) The arbitrator shall be confined to the issues submitted for decision and shall not, as a part of any decision, impose upon the parties thereto any obligation to arbitrate on a subject which is not arbitrable pursuant to the terms of this Agreement as a subject for arbitration.
- (c) The arbitrator shall not have authority or jurisdiction: (1) to add to, subtract from, modify, or disregard any provision of this Agreement; (2) to establish or determine any new wage rate, job classification or job differential; or (3) to deal with any grievance unless it involves a specific instance of action or failure to act with respect to an employee or group of employees.

Article 10

- (d) In disciplinary cases, the arbitrator shall not have authority to mitigate or modify the discipline imposed. In dismissal, demotion or suspension cases, the arbitrator shall determine whether the discipline was for just cause. If the arbitrator concludes the discipline was not for just cause, the employee shall be reinstated on the following basis:
 - (1) In the case of dismissal, as full and complete resolution of the dispute, the employee shall be paid for time lost a lump sum payment equal to one hundred ten percent (110%) of the employee's basic wage rate less any amount, other than wages, received from the Company at the time of dismissal, and any amount paid to, or receivable by, the employee as wages in other employment, and as unemployment benefits under any present or future provision of law for the period since the date of such discharge.
 - (2) In the case of suspension, the employee shall receive pay for time lost at the employee's basic wage rate plus any tour differentials to which the employee would have been entitled if not suspended.
 - (3) In the case of demotion, the employee shall be compensated for all loss of wages due to the difference in the weekly basic wage rates.
- (e) The arbitrator shall render a decision within thirty (30) calendar days after the hearing is closed (if the parties mutually agree to waive briefs) or thirty (30) days after briefs are filed and the record in the case is closed, unless the parties thereto mutually agree to an extension of such time for a decision.
- (f) The decision of the arbitrator on any matter submitted and decided in accordance herewith shall be in writing and shall be final and binding on the parties thereto as to the particular case submitted, subject to law.

ARTICLE 11 – PAY PROTECTION FOR INVOLUNTARY DOWNGRADES

- 1 Employees who are at risk of being laid off under the provisions of Article 24 and avail themselves of continued employment through accepting a position in a different title where the starting rate of pay is less than that of the position previously held, will have their rate of pay reduced over a period of time. The reductions in pay are effective at specific periods following the effective date of the new assignment, as shown below, and are based on the differences between the employee's percent (%) of the start rate for the old job and the same percent of the start rate for the new job. This provision shall not apply to employees downgraded according to the provision of Article 12, Paragraph 2.

<u>Number of weeks after effective date of the assignment</u>	<u>Reduction to be applied</u>
0-10 Years N.C.S.	
Weeks 1 through 4	No reduction
Weeks 5 though 8	1/3 reduction
Weeks 9 through 12	2/3 reduction

Weeks 13 & thereafter	Full reduction
10-15 Years N.C.S.	
Weeks 1 through 30	No reduction
Weeks 31 through 34	1/3 reduction
Weeks 35 through 38	2/3 reduction
Weeks 39 & thereafter	Full reduction
15 Years N.C.S. and over	
Weeks 1 through 56	No reduction
Weeks 57 through 60	1/3 reduction
Weeks 61 through 64	2/3 reduction
Weeks 65 & thereafter	Full reduction

ARTICLE 12 – DISCIPLINE

1 Warnings

A warned employee is one who received a written warning that is to be recorded in their personnel file, which includes an indication of possible consequences and may be considered as a basis for future disciplinary action.

2 Demotions

A demoted employee, for the purpose of this Article, is one who has been reassigned for disciplinary reasons, from one job title to another job title having lower classifications.

3 Suspensions

A suspended employee is one who has been denied work for disciplinary reasons for any period.

4 Dismissals

A dismissed employee is one whose service is terminated for any reason other than transfer, resignation, lay-off (or a work completed temporary employee), voluntary retirement, or death.

5 In the event the Company warns, demotes, suspends, or dismisses any employee, the Union may appeal such action pursuant to the provisions of Article 9 (Grievance Procedure) of this Agreement.

6 A grievance appeal concerning a demotion, suspension, or dismissal of an employee who has nine (9) months or more of Net Credited Service may also be reviewed pursuant to the provisions of Article 10 (Arbitration) of this Agreement.

ARTICLE 13 – PERSONNEL RECORDS

- 1 At least once in each year, employees may inspect their personnel records in accordance with the Company's practices concerning inspection of personnel and/or medical records.
- 2 When an employee receives a warning of suspension, demotion or discharge that is to be recorded in the employee's personnel file, the Company will provide a copy of the warning to the warned employee. A copy of the warning will be given upon request to a Union representative if he/she is present pursuant to the provisions of Article 5 (Union Representation).

ARTICLE 14 – SAFETY

- 1 Safety is a concern to the Company and the Union. The Company and the Union mutually recognize the need for a work environment in which safe operations can be achieved in accomplishing all phases of work, and the need to promote better understanding and acceptance of the principles of safety on the part of all employees to provide for their own safety and that of their fellow employees, customers and the general public.
- 2 When employees express reasonable concerns about their personal safety in connection with assignments in localities in which it is reasonable for them to believe that they may be victims of assault or other criminal activity, the employees will not be required to work alone

ARTICLE 15 – TITLES AND WAGES

General Wage Information

Wage rates and wage schedules for Job Classifications E, H and I and Start rates for Job Classifications C, F and G are contained in Appendix 1(B) of this Agreement. Such rates are exclusive of differentials.

1 Starting Rates

- (a) If business conditions require, or when an employee's qualifications, in the judgment of the Company, justify starting rates higher than the minimum, such higher rates may be granted. Such starting rates will be granted based on wage credit for job-related work or military experience, job-related training or skills, and licenses or certificates. In no case shall an employee be paid less than the start rate for the applicable job title.
- (b) Whenever the Company hires regular employees (except temporaries) at above the start rate due to employment market conditions, incumbent employees who are in their first year of the wage schedule and are at lower Standard Rates in the same title and work location shall have their Standard Rate and equivalent service date (wage progression clock) adjusted to that of the new hire effective as of the new hire start date.

2 Wages

(a) Wage Increases

The increases in the wage schedules set forth below shall be computed on an exponential basis. Hourly Wage Schedules shall be rounded to the nearest penny. Weekly wages shall be rounded to the nearest dollar.

(b) Initial Basic Wage Increase

Wage schedules shall be increased by 3.0% on the Maximum Rates and by 0% on the Minimum Rates in effect on April 11, 2015. The initial general wage increase shall be effective on Sunday, April 12, 2015. The retroactive wages from April 12, 2015 to the date of ratification will be paid as soon as practicable after ratification if the contract is ratified on or before June 26, 2015.

(c) Second Basic Wage Increase

Effective April 10, 2016, wage schedules shall be increased by 2.25% on the Maximum Rates and by 0% on the Minimum Rates in effect on April 9, 2016.

(d) Third Basic Wage Increase

Effective April 9, 2017, wage schedules shall be increased by 3.0% on the Maximum Rates and by 0% on the Minimum Rates in effect on April 8, 2017.

3 Probationary Period

A newly hired employee shall be on probation for the initial six (6) months. Employees terminated during such a probationary period shall be entitled only to payment for time actually worked and any unused vacation accrued in accordance with Article 22, Paragraph 1.

4 Part-time Employees

- (a) All hours worked by a part-time employee shall be paid at the equivalent hourly basic wage rate for a comparable full-time employee working a normal daily tour in the same job title, classification, and administrative work group.
- (b) The classification of a part-time employee is based on the employee's "part-time equivalent work week" which shall be determined prospectively by dividing the employee's total hours worked per month by 4.35 and rounding the result to the next higher whole number. (Illustration: 68 hours per month divided by 4.35 equals 15.6 rounded to a "part-time equivalent work week" classification of 16).
- (c) The "part-time equivalent work week" classification of each part-time employee shall be reviewed by the Company on or about February 1 and August 1 of each year, and adjusted on a prospective basis, if appropriate. In determining whether such adjustment is appropriate, the Company will consider the actual average number of hours worked per month during the preceding six (6) month period and the likelihood that such number of work hours will continue for a reasonably foreseeable period of time.

5 Promotion to Higher Occupational Job Classification

- (a) In determining a candidate's qualifications for promotion within the bargaining unit, the Company will consider many factors including, but not limited to, seniority, attendance, job performance, technical skills and experience. If qualifications are substantially equal, the senior employee in terms of Net Credited Service will be selected. The selection shall be subject to the procedures of Article 9 (Grievance) and Article 10 (Arbitration). The decisions of the Company concerning whether qualifications of the candidates are substantially equal shall be controlling unless the Company is shown to have acted arbitrarily or in bad faith.
- (b) Each employee promoted from one job to another with a higher maximum rate of pay will have his or her rate of pay in the higher rated job determined by allowing the employee full wage experience credit, both in progression and at maximum, except that when an employee is promoted to a job having a longer progression schedule than that of the job from which the employee is promoted, an employee's wage experience credit shall not exceed:
 - (1) Two (2) steps down from maximum on the longer wage schedule if of sixty (60) months or less in length;
 - (2) Four (4) steps down from maximum on the longer wage schedule if of sixty-one (61) months or more in length.

If the effect of applying the step down is to decrease wages, then the employee will be placed on the first step of the new schedule that results in a wage increase.

6 Reassignment to a Title Having a Lower Job Classification

When an employee is reassigned to a title having a lower job classification, such employee's wages shall be reduced if:

- (a) The employee is reassigned to his or her former title following a temporary promotion, in which case the rate shall be adjusted to the rate the employee would have attained had the employee remained in the lower title.
- (b) The reassignment is employee initiated, in which case the employee's new wage will be determined by placing the employee on the same step of the lower schedule as the employee occupied on the higher schedule. In the case of a reassignment to a lower job classification without a schedule, the employee's new wage rate will be determined by placing the employee at a basic wage rate in the lower job classification that is the same percent of the start rate as was his/her former basic rate compared to the start rate for the former job.
- (c) The employee is reassigned because of failure to meet requirements on the job. In this situation the new wage rate will be determined as in (b) above.

7 Temporary Assignment to Higher Occupational Job Classification

Employees temporarily assigned to work in a higher occupational job classification shall receive a classification differential for each day in which an employee works three (3) or more hours in the higher assignment. Such daily classification differential shall be determined by computing the difference between the employee's daily basic wage rate in the lower classification and the daily basic wage rate the employee would have received if the promotion were permanent.

ARTICLE 16 – TRANSFERS, TRAVEL ALLOWANCES, AND MOVING EXPENSES

1 Transfers

The Company may transfer, temporarily or permanently, employees from one work location to another. Permanent transfers will be accomplished in accordance with the following:

- (a) When the Company finds it necessary or appropriate to permanently transfer employees to another work location, the Company will seek volunteers who possess the necessary skills to perform the assignment, in the job title and in the work location from which the transfer is to be made. The transfer will be accomplished from among the volunteers in descending order of seniority.
- (b) If the Company determines that it cannot effect the transfer pursuant to Paragraph (a) above from among the volunteers, the transfer will be effected from among employees who possess the necessary skills to perform the assignment in the job title and in the work location from which the transfer is to be made in inverse order of seniority. If such transfer under provisions of Article 16, Paragraph 6(a), would require an affected employee to relocate his or her residence and the employee refuses the transfer, the employee will be considered as to have resigned, but shall receive termination pay according to the schedule in Article 25, Paragraph 2. If such transfer would not require the employee to relocate his or her residence and the employee refuses the transfer, the employee will be considered as to have resigned.
- (c) Insofar as the conditions of the business and the abilities of the employees permit, the provisions of Paragraphs 1(a) and (b) shall apply to temporary transfers of seven (7) calendar days or more. This provision is not applicable to training sessions.

2 Travel Expense – Commuting Distance

Employees required to travel before the start or after the end of their tour, to a work location other than their permanent work location, and who thereby incur a longer commute or increased commuting expense, will be provided transportation by the Company or be reimbursed for reasonable travel-related out-of-pocket expenses and/or authorized to use their personal vehicles in conjunction with such longer commute or increased commuting expenses. Employees who are authorized to use their vehicles for such travel will be reimbursed at the highest allowable IRS rate, plus out-of-pocket travel-related expenses. Time spent in conjunction with a longer commute will be considered time worked.

3 Travel Expense – Beyond Commuting Distance

- (a) Employees temporarily transferred to a work location, when in the judgment of the Company daily commuting is not practicable, shall be provided or reimbursed for reasonable expenses incurred including board and lodging and additional travel expenses. Allowable reasonable expenses shall be discussed with the employee in advance of the temporary transfer.
- (b) Transportation to Temporary Work Location
 - (1) The Company will provide or determine the mode of transportation to the temporary work location.

Article 16

- (2) Should the employee request and be granted permission to use a means of transportation other than the preferred Company mode of transportation, reimbursement will be made as follows:
 - (i) Time for travel will be based on a reasonable duration had the employee used the Company preferred mode of transportation.
 - (ii) Personal vehicle usage will be reimbursed at the highest allowable IRS rate up to the cost of the lowest round trip fare to the temporary destination, based on the Company's preferred mode of transportation.
 - (iii) No reimbursement for meals or lodging will be made over what would have been reimbursed had the preferred Company mode of transportation been used.
- (c) Time spent traveling at the start and end of transfer under the provisions of Paragraph 3(a) will be considered time worked. This will not include time spent traveling to and from the temporary living quarters to the temporary work location.

4 Interim Return Home

- (a) If the temporary work location is not commutable according to the provisions of Paragraph 3(a), the Company will provide for travel reimbursement to return the employee to his or her home for two (2) consecutive non-scheduled days every third (3rd) week of the temporary transfer.
- (b) In lieu of the provision of Paragraph (a) above, when an employee is attending a Company school at which he or she is required to live and remain, the employee shall be eligible to periodically return to his or her home according to the requirements of the school.
- (c) Employees who are authorized to periodically return to their homes, shall be reimbursed, as determined by the Company, as follows:
 - (1) Personal vehicle usage at the highest allowable IRS rate plus actual out-of-pocket, travel-related expenses: or
 - (2) Authorized expense for travel by public transportation when such is convenient.
- (d) Time spent traveling under the provisions of this Paragraph shall not be considered as time worked.
- (e) When an employee leaves the temporary location under these provisions, the employee will release his or her room and make a reservation for the date of return. The Company shall not be required to pay lodging not actually used.

5 Travel Expenses During Work Time

Employees required to travel after the start of or before the end of their tours will be provided transportation by the Company or reimbursed for travel-related out-of-pocket expenses and/or authorized use of their personal vehicle in connection with such travel. Employees who travel by public transportation will be reimbursed for their actual out-of-pocket, travel-related expenses. Employees who are authorized to use their personal vehicles for such travel will be reimbursed at the highest allowable IRS rate, plus out-of-pocket, travel-related expenses.

6 Moving Expenses

- (a) An employee who is permanently transferred, according to the provisions of Paragraph 1(b), and whose new work location is more than thirty-five (35) road miles distant from the employee's former work location and who also incurs a longer commute, will be provided a lump sum payment \$7,500.00 or the amount of termination allowance the affected employee would receive if the employee were laid off, whichever is less; provided however, that in no case shall such a relocating employee be paid a lump sum payment less than \$5,000.00
 - (1) Appropriate change-of-residence documentation will be provided to Management within forty-five (45) days of the change of residence.
 - (2) Change of residence must be completed within one (1) year of the date of transfer.
- (b) An employee entitled to moving expenses under the provisions of Paragraph 6(a) may elect not to relocate his or her residence and shall be entitled to receive a one-time lump sum allowance of one thousand dollars (\$1,000.00) in lieu of such moving expenses provided this election is made within one (1) year of the date of transfer.
- (c) Payments under this Paragraph 6 will be subject to the withholding of appropriate taxes.
- (d) Notwithstanding the provisions in Paragraph (a) above, if, in the judgment of the Company, logistical circumstances indicate a permanent transfer would have an adverse effect on an employee, payments under Paragraph (a) may be provided even if the distance is less than thirty-five (35) road miles between new and former work locations and/or the employee does not incur a longer commute.

ARTICLE 17 – NEW JOB TITLES AND JOB CLASSIFICATIONS

- 1 Whenever the Company determines it appropriate to create a new job title or job classification in the bargaining unit, or to restructure or redefine an existing one, it shall provide advance notice of that action to the Union. Such notice shall include the job title or classification, a job description of the duties for such job title or classification, and the initial wage rates and schedule for such job title or classification. Following such notice, the Company may proceed to staff such job title or classification.
- 2 Within thirty (30) days from receipt of such notice, the Union may initiate negotiations concerning the initial wage rates or schedules which the Company has established for the new or restructured job title or classification.
- 3 If negotiations are not so initiated, the initial wage rates and schedules set by the Company shall remain in effect.
- 4 If agreement is reached between the parties within sixty (60) days following the Union's receipt of notice from the Company concerning the initial wage rates and schedules, the agreed upon wage rates and schedules shall be implemented as of the date of such agreement.

Article 17

- 5 If negotiations are initiated pursuant to Paragraph 2, above, and if the parties are unable to reach agreement on a schedule of wage rates for the new or restructured job title or classification within sixty (60) days following the Union's receipt of notice from the Company, the Union may, within thirty (30) days of the expiration of the sixty (60) day period for negotiations, demand that the issue of an appropriate schedule of wage rates for the new or restructured job title or classification be submitted for resolution to a neutral third party, to be selected by mutual agreement from among those who possess acknowledged expertise in the area of job evaluation. The parties may submit all evidence deemed relevant to the issue to the neutral third party. At the request of either party, a hearing shall be held to receive such evidence. Any such meeting or hearing shall be held within thirty (30) days after the matter is referred to the neutral third party, who shall render a written decision as to an appropriate schedule of wage rates for the new or restructured job title or classification within sixty (60) days of the date that the matter is first referred for resolution. In the event the neutral third party determines that a different schedule of rates is appropriate, the new schedule shall be placed in effect as of the date of the neutral third party's decision.
- 6 The procedures set forth in Paragraph 5, above, shall be the exclusive means by which the Union may contest the schedule of wage rates which the Company sets for any new restructured job title or classification.

ARTICLE 18 – COMPENSATION FOR TIME WORKED, DIFFERENTIALS AND OTHER PAYMENTS

1 Basic Compensation

- (a) Employees will be compensated for all hours worked at their hourly basic wage rate, except as otherwise provided in this Article.
- (b) Only hours actually worked are considered for compensation computations in this Article 18. This shall include hours worked in the performance of assigned normal duties, during a regularly scheduled tour or time worked outside of a scheduled tour, as well as other time considered and paid as time worked as specified under the provisions of Articles 6, Paragraph 4 and Article 9, Paragraph 7.

2 Extra Work Time Compensation

- (a) Extra Work Time is any time worked by an employee in excess of eight (8) hours worked in any consecutive twenty-four (24) hour period or in excess of forty (40) hours worked in a calendar week.
- (b) Extra Work Time will be compensated at the Overtime Rate of one and one-half (1-1/2) times the employee's hourly basic wage rate and shall include any tour differential to which the employee is entitled.
- (c) When extra time worked is in addition to forty (40) hours worked in a calendar week, the Double Time Rate of twice the employee's hourly wage rate shall be substituted for the Overtime Rate provided in Paragraph (b) above for the amount of Extra Work Time in excess of forty (40) hours worked.

3 Tour Differentials

Communications Technicians assigned to work night tours will be compensated at twelve dollars (\$12.00) per full tour so worked.

4 Not withstanding Article 18, Paragraph 3, tour differentials shall be as follows: (Does not apply to Communications Technicians.)

- (a) Night Tours: ten dollars (\$10.00) for each full tour worked.
- (b) Evening tours ending after 7:00 PM: seven dollars (\$7.00) for each full tour worked.
- (c) Evening or night differential may be paid for partial tours worked under the following conditions:
 - (1) At least fifty percent (50%) of the scheduled tour has been worked and,
 - (2) The employee is on duty at the original ending time of the tour. Not withstanding Paragraph two (2) above, in the event that management grants excused time at the end of a tour that otherwise qualifies for a differential, that differential will be paid.

5 Call Out

An employee contacted while off duty and required to immediately report to work outside their normal working hours shall be paid for all time worked, including a reasonable amount of travel time going to and from home. The time thus paid, including travel time, shall not be less than the equivalent of four (4) hours at the employee's hourly basic wage rate.

- (a) For such work performed during an employee's excused regularly scheduled tour on a holiday, the employee shall be compensated as set forth in Article 23, Paragraph 3 or Paragraph 4 as appropriate.
- (b) For such work performed outside the period of the employee's excused regularly scheduled tour on a holiday, the employee shall be paid as set forth in Paragraph (a) above, except that two and one-half (2-1/2) times the employee's hourly basic wage rate shall be substituted for the Overtime Rate.
- (c) In addition to the above appropriate compensation, the employee shall be eligible to receive reimbursement for usage of his or her personal vehicle at the highest allowable IRS rate per mile actually driven, plus actual out-of-pocket travel-related expenses incurred during the call-out period.
- (d) This call-out provision does not apply if such time worked is continuous with the employee's regularly scheduled tour. Time allowed for a meal period shall not be considered as a break in the continuity of work time.

6 Call-Up Payments

- (a) When a supervisor or other authorized person makes a telephone call to an employee during periods the employee is not on work time, the employee will be compensated if the call meets all of the following criteria:
 - (1) The call is made outside the employee's normal working hours.
 - (2) The employee uses his or her job knowledge and skill.
 - (3) The call was not necessitated by error or omission by the employee.

Article 18

- (b) An employee who meets the preceding criteria shall be compensated as follows:
 - (1) Calls of one (1) hour or less in duration that meet the criteria set forth above will be compensated for one (1) hour at the basic wage rate.
 - (2) Calls of a longer duration than one (1) hour will be compensated rounded to the next higher hour increment.
- (c) When more than a single telephone call in a day is involved, the compensation for each call shall be as prescribed above, provided, however, that total compensation for the telephone calls shall not be greater than that to which the employee would have been entitled had the employee been on the telephone continuously for the combined duration of each telephone call.

7 Other Payments

- (a) Stand-by Payment
 - (1) An employee with necessary skills may be requested to remain in contact with the Company outside of a scheduled tour by use of a pager or other communications device. The requirement to remain in contact with the Company will be rotated among all qualified employees in the administrative work group. Such stand-by requirement will be for a seven consecutive day period and the employee shall be notified personally according to the scheduling provisions of Article 21, unless such an employee substitutes for an employee previously scheduled for such duty, who is absent due to unforeseen circumstances.
 - (2) An employee scheduled for stand-by duty shall receive a payment equal to eight (8) hours at the employees' hourly basic wage rate for an assignment of seven (7) consecutive days . For assignments of less than seven (7) consecutive days, the payment will be prorated for each day of the assignment.
 - (3) An employee on stand-by duty, who is called-out shall be additionally compensated in accordance with the provisions of Article 18, Paragraph 5.

(b) Seventh Consecutive Day Worked

Any hours worked by an employee on the calendar day, following six (6) consecutive calendar days on which the employee had worked any hours, will be paid at the Double Time Rate calculated to include any applicable differential. Except for work on a holiday, in accordance with Article 23, Paragraph 3, Double Time shall be the maximum rate for any hour(s) worked on such seventh (7th) consecutive day and shall not be increased by any other overtime payments which otherwise may be applicable.

(c) Sunday Payments

Time worked on a Sunday, during a regularly scheduled tour as part of a normal work week, shall be compensated at one and one-half (1-1/2) times the hourly basic wage rate. Such additional one-half (1/2) payment shall not be considered time worked and will not be included in the Double Time calculation under the provisions of Paragraph 2(c). Should Sunday be the seventh (7th) consecutive day worked by an employee according to the provisions of Paragraph (b) above, then the provisions of Paragraph (b) shall apply.

(d) Christmas Bonus

Employees will receive a Christmas Bonus in accordance with the following:

- (1) An amount calculated at six and one half percent (6.5%) of the first ten thousand dollars (\$10,000.00) earned, with a maximum payment not to exceed six hundred fifty dollars (\$650.00) in each year of the 2015 agreement.
- (2) The period for computation of the payment in (1) above shall be from October 1 through September 30 of each year of the 2015 agreement. The payment will normally occur on the first pay day in December of each year of the agreement.
- (3) To be eligible for the payment, an employee must have accumulated a minimum of seven hundred (700) worked hours during the computation period specified in Paragraph (2) above.

(e) Meal Expense Allowance

An employee entitled to a meal period under the provisions of Article 21, Paragraph 3(b) shall be paid an expense reimbursement of eight dollars (\$8.00). An employee shall be entitled to two (2) such payments per continuous period of work.

(f) Christmas Eve and New Year's Eve Payment

For all time worked between 7:00 P.M. and 12:00 midnight on December 24 and December 31, the employee will be compensated at three times the basic daily wage rate. The payment described herein will be the maximum compensation for hours worked, and such rate shall not be increased by any rate that otherwise may be applicable.

(g) Mother's Day Payment

Employees scheduled to work on Mother's Day shall be compensated at three times the employee's basic wage rate for all time worked. The payment described herein will be the maximum compensation for hours worked, and such rate shall not be increased by any rate that otherwise may be applicable.

(h) Management Relief

- (1) An employee who is assigned to relieve a management employee shall receive a payment of one dollar and fifty cents (\$1.50) per hour provided such assignment is for three (3) hours or more.
- (2) Employees assigned to relieve a management employee may perform all duties normally performed by the manager except that the employee shall not have access to personnel files and may not administer disciplinary action. Employees may also perform their normal duties while relieving the manager.
- (3) Temporary employees will not be assigned the Management Relief function if qualified regular employees are available for the assignment.

ARTICLE 19 - BENEFIT PLANS, PROGRAMS, AND POLICIES

The means for fulfilling the terms of this Article may be the Company's adoption of its own plan and associated plan document or participation in an equivalent plan having a plan document that includes, for bargained-for personnel, the benefits agreed to be provided pursuant to this Article and substantially the terms, provisions and conditions under which such benefits are to be provided. The sole remedy for issues with respect to the validity or amount of any claim for benefits is the claim and appeal process as defined in the individual benefits plans and programs. The parties agree to the plans and programs described below. Copies of the plan documents, Summary Plan Descriptions (SPDs) and Summary of Material Modifications (SMMs) of these plans, policies and programs have been provided to the Union. If there is any difference between these Summary Plan Descriptions and the ERISA plans or programs (including amendments thereto), the plan texts shall govern.

For purposes of this Article:

- Employees hired/rehired on or before August 8, 2009 shall be referred to as "Current Employees".
- Employees hired/rehired or transferred into the 2009 Collective Bargaining Agreement after August 8, 2009 and on or before August 17, 2012 shall be referred to as "2009 New Hires". In addition, "2009 New Hires" shall also include individuals who were classified as Temporary or Term Employee as of August 8, 2009 and who were subsequently reclassified to Regular Employee Status on or before August 17, 2012.
- Employees hired/rehired or transferred into the 2012 Collective Bargaining Agreement after August 17, 2012 but on or before the date the 2015 Collective Bargaining Agreement is ratified pursuant to the terms of the Agreement ("Ratification Date") shall be referred to as "2012 New Hires".
- Employees hired/rehired or transferred into the 2015 Collective Bargaining Agreement after the Ratification Date shall be referred to as "2015 New Hires".
- Current Employees who are laid off, who are recalled and whose service is immediately bridged will be treated as Current Employees. 2009 New Hires who are laid off, who are recalled and whose service is immediately bridged will be treated as 2009 New Hires. 2012 New Hires who are laid off, who are recalled and whose service is immediately bridged will be treated as 2012 New Hires. 2015 New Hires who are laid off, who are recalled and whose service is immediately bridged will be treated as 2015 New Hires.
- Current Employees, 2009 New Hires, 2012 New Hires and 2015 New Hires shall be referred to collectively as "Employees".
- Employees who terminate employment during the term of this Agreement and who meet the applicable requirements to be eligible for post-retirement benefits are referred to as "Eligible Retired Employees".

1. HEALTH AND WELFARE BENEFIT PLANS

- A. Effective January 1, 2016, Current Employees, 2009 New Hires, 2012 New Hires and 2015 New Hires shall be eligible to participate in the benefit plans, programs

and policies, identified in the chart below by an x, with the plan terms, conditions and provisions which were in effect on April 11, 2015, as described in the applicable SPDs and SMMs, except as noted herein.

Plan/Program/Policy	Current Employees & 2009 New Hires	2012 New Hires	2015 New Hires
AT&T Corp. Employee Medical Program	x	x	x
AT&T Employee Assistance Program	x	x	x
AT&T Dental Program (management provisions except as noted in Exhibit 1)	x	x	x
AT&T Vision Program (management provisions except as noted in Exhibit 1)	x	x	x
AT&T CarePlus – A Supplemental Benefit Program	x	x	x
AT&T Group Life Insurance Program for Active Employees*	x	x	x
Legacy AT&T Disability Benefits Program	x	x	
AT&T Disability Income Program			x
AT&T Adoption Reimbursement Policy	x	x	x

*This program now includes Supplemental Life Insurance and Dependent Life Insurance provisions.

- B. Employees, including newly eligible Employees, and Eligible Retired Employees (as provided for in Paragraph C) shall continue to participate in the same benefit plans, programs and policies on the same terms and conditions which were in effect on April 11, 2015, until the benefits identified in Paragraph 1.A. above become effective, subject to changes to benefits resulting from the operation of existing plan provisions and amendments necessary to comply with changes in the law.
- C. Employees who terminate employment with the Company during the term of this Agreement and are eligible for post-retirement medical coverage under the terms of the medical program the Employee was eligible for as an active Employee as of the date of termination (an "Eligible Retired Employee") will be eligible, during the term of this Agreement, for coverage under the AT&T Corp. Employee Medical Program, AT&T Eligible Former Employee CarePlus – A Supplemental Benefit Program, AT&T Dental Program, AT&T Eligible Former Employee Group Life Insurance Program for Bargained Employees, and AT&T Eligible Former Employee Vision Program, subject to changes to benefits resulting from the operation of existing plan provisions and amendments necessary to comply with changes in the law, and with the exceptions identified in Exhibit 1. Nothing in this Paragraph C shall be construed to provide benefits for any period subsequent to the term of this Agreement or for any employee other than those referenced above who terminate employment during the term of this Agreement.

- D. Exhibit 1 provides a summary of certain plan, program and/or policy terms, conditions and provisions, including any which are exceptions to terms, conditions and provisions described in the applicable SPDs and SMMs as well as any which differ among groups of employees eligible to participate in a particular plan, program or policy, such as the applicable deductible or copayment amount. If there are discrepancies between the specific information provided in Exhibit 1 and the plan documents, SPDs or SMMs, the information provided in Exhibit 1, as applicable will govern.
- E. It is understood that certain benefits described in Exhibit 1 are subject to change to comply with implementation of PPACA and associated regulations and agency guidance. The Company will notify the Union of the changes the Company makes to conform the benefits under this Agreement with final regulations and guidance under PPACA and any amendment determined to be necessary due to changes in the law. Should any of these changes require bargaining, all other terms and provisions of the 2015 Collective Bargaining Agreement will remain in effect through expiration.

2. PENSION AND SAVINGS BENEFIT PLANS

- A. Current Employees, 2009 New Hires, 2012 New Hires and 2015 New Hires shall be eligible to participate in the benefit plans, programs and policies identified in the chart below by an “x”, with the plan terms, conditions and provisions which were in effect on April 11, 2015, as described in the applicable SPDs and SMMs, except as noted herein.

Plan/Program/Policy	Current Employees	2009 New Hires, 2012 New Hires & 2015 New Hires
AT&T Puerto Rico Retirement Savings Plan (ARSP-PR)	x	x
AT&T Legacy Bargained Program of the AT&T Puerto Rico Pension Benefit Plan (ALB-PR)	x	

B. Current Employees

Except as provided below, Current Employees shall continue to participate in the following pension and savings benefit plans, programs, and policies on the same terms and conditions which were in effect on April 11, 2015.

- A. AT&T Legacy Bargained Program of the AT&T Puerto Rico Pension Benefit Plan (“ALB-PR”)
 - 1. Current Employees who continue to participate in the ALB-PR will be eligible for the following pension band increases:

1. 1.0% effective January 1, 2016
2. 1.0% effective January 1, 2017
3. 1.0% effective January 1, 2018

a. AT&T Puerto Rico Retirement Savings Plan

C. 2009 New Hires, 2012 New Hires and 2015 New Hires

2009 New Hires and 2012 New Hires shall continue to participate and 2015 New Hires shall be eligible to participate in the following savings benefit plan on the same terms and conditions which were in effect on April 11, 2015.

- AT&T Puerto Rico Retirement Savings Plan
3. Except as provided in this Article, there shall be no negotiations during the life of this Agreement upon changes in pensions or any other subjects covered by the existing employee benefit plans, programs and policies.
 4. In the event, during the life of this Agreement, the Company proposes to amend any of the existing employee benefit plans, programs and/or policies or their successors, in a manner that affects benefits or privileges of employees represented by the Union, it will before doing so notify the Union of its proposal and afford the Union a period of sixty (60) calendar days for bargaining on said proposal; provided however that no amendment may be made in the employee benefit plans, programs and/or policies which would reduce or diminish the benefits or privileges provided thereunder as they apply to employees represented by the Union without its consent.
 5. Any dispute involving the true intent and meaning of Paragraph 4 may be presented as a grievance and if not resolved by the parties, it may be submitted to the arbitration procedure of this Agreement. Nothing in this Agreement shall be construed to subject the employee benefit plans, programs, and/or policies referenced in this Article (or their successors) or their administration or the terms of the proposed changes in the plans, programs, and/or policies to arbitration.

Exhibit 1 – Benefit Outline Summary

Provision	Current Employees, 2009 New Hires, 2012 New Hires and 2015 New Hires
Active Employees	
Effective Date(s)	Health & Welfare: 1/1/2016
Eligibility	
For Medical, Dental, Vision, Disability, CarePlus, and Life Insurance (unless otherwise specified)	<u>Current Employees, 2009 New Hires & 2012 New Hires</u> Applicable programs: Medical – AT&T Corp. Employee Medical Program Dental – AT&T Dental Program (management provisions except as provided below) Vision – AT&T Vision Program (management provisions except as provided below) Disability – Legacy AT&T Disability Benefits Program CarePlus – AT&T CarePlus – A Supplemental Benefit Program Life Insurance – AT&T Group Life Insurance Program for Active Employees* <u>2015 New Hires</u> Applicable programs: Medical – AT&T Corp. Employee Medical Program Dental – AT&T Dental Program (management provisions except as provided below) Vision – AT&T Vision Program (management provisions except as provided below) Disability – AT&T Disability Income Program (management provisions except as provided below) CarePlus – AT&T CarePlus – A Supplemental Benefit Program Life Insurance – AT&T Group Life Insurance Program for Active Employees* *includes Supplemental Life Insurance and Dependent Life Insurance provisions
Medical	
Program	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> AT&T Corp. Employee Medical Program Fully insured coverage only (available at the discretion of the Company). Note: Company self-funded option not available.
Eligibility for Coverage	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> No change from current program.

Provision	Current Employees, 2009 New Hires, 2012 New Hires and 2015 New Hires																																
Eligibility for Company Subsidy	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>No change from current program except as provided below:</p> <p>Individual Coverage:</p> <p>Company subsidy for Employees enrolled in Company sponsored Individual medical coverage (including fully insured coverage options, if available) will continue to begin on the first day of the month in which 90 days of net credited service (NCS) is attained (also referred to as term of employment (TOE)). Employees with less than 90 days of NCS will be eligible to enroll in Company-sponsored medical coverage (including fully insured coverage options, if available) but are required to pay 100% of the cost of coverage.</p> <p>Family Coverage:</p> <p>Company subsidy for Employees enrolled in Company sponsored medical coverage other than Individual coverage will continue to begin on the first day of the month in which 6 months of net credited service (NCS) is attained (also referred to as term of employment (TOE)). Employees with less than 91 days of NCS may enroll in Company-sponsored medical coverage (including fully insured coverage options, if available) but are required to pay 100% of the cost of coverage. Employees with more than 90 days of NCS and less than 6 months of NCS may enroll in Company-sponsored medical coverage (including fully insured coverage options, if available) but are required to pay 100% of the cost of coverage reduced by the company subsidy for the Individual coverage tier.</p>																																
Active (Full-Time) Monthly Contributions	<p><u>Current Employees, 2009 New Hires & 2012 New Hires</u></p> <table><tr><td></td><td colspan="3">Contribution Amounts¹</td></tr><tr><td></td><td><u>2016²</u></td><td><u>2017²</u></td><td><u>2018²</u></td></tr><tr><td>Individual</td><td>\$ 96</td><td>\$ 119</td><td>\$ 129</td></tr><tr><td>Family</td><td>\$214</td><td>\$ 246</td><td>\$ 267</td></tr></table> <p><u>2015 New Hires</u></p> <table><tr><td></td><td colspan="3">Contribution Amounts¹</td></tr><tr><td></td><td><u>2016²</u></td><td><u>2017²</u></td><td><u>2018²</u></td></tr><tr><td>Individual</td><td>\$161</td><td>\$173</td><td>\$176</td></tr><tr><td>Family</td><td>\$332</td><td>\$356</td><td>\$362</td></tr></table> <p>¹ Contributions are after-tax only.</p> <p>² Contributions will be determined according to the provisions of the AT&T Corp. Employee Medical Program</p>		Contribution Amounts ¹				<u>2016²</u>	<u>2017²</u>	<u>2018²</u>	Individual	\$ 96	\$ 119	\$ 129	Family	\$214	\$ 246	\$ 267		Contribution Amounts ¹				<u>2016²</u>	<u>2017²</u>	<u>2018²</u>	Individual	\$161	\$173	\$176	Family	\$332	\$356	\$362
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Article 19

Provision	Current Employees, 2009 New Hires, 2012 New Hires and 2015 New Hires
<p>Active (Part-Time) Monthly Contributions</p>	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u>¹</p> <p>No change from current program except as provided below:</p> <p>¹ Contributions are after-tax only.</p> <p>Note: Calculation of the full cost of coverage is subject to change from time to time at the Company's discretion.</p>
<p>Annual Deductibles</p>	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Determined under fully insured plan.</p>
<p>General Copay/Coinsurance</p>	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Determined under fully insured plan.</p>
<p>Office Visit Copay / Coinsurance</p>	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Determined under fully insured plan.</p>
<p>Urgent Care Facility/Professional Services Copay / Coinsurance</p>	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Determined under fully insured plan.</p>
<p>Emergency Room Facility/Professional Services Copay / Coinsurance</p>	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Determined under fully insured plan.</p>
<p>Hospital Inpatient/Outpatient Facility/Professional Services Copay / Coinsurance</p>	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Determined under fully insured plan.</p>
<p>Tests (all tests including x-ray, radiology, lab test, etc) Copay / Coinsurance</p>	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Determined under fully insured plan.</p>

Provision	Current Employees, 2009 New Hires, 2012 New Hires and 2015 New Hires
Hearing Benefit	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> Determined under fully insured plan.
Mental Health/Substance Abuse (MH/SA) Copay / Coinsurance	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> Determined under fully insured plan.
Annual Out-of-Pocket Maximums (OOP)	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> Determined under fully insured plan.
Prescription Drug Program (Rx)	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> Determined under fully insured plan.
Employee Assistance Program (EAP)	
Program	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> AT&T Employee Assistance Program. No change from current program.
Visit Limit	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> Continues to provide up to 5 EAP visits per person per issue.
Disability	
Program	<u>Current Employees, 2009 New Hires & 2012 New Hires</u> Legacy AT&T Disability Benefits Program No changes from current program. <u>2015 New Hires</u> AT&T Disability Income Program applicable to managers as described in the Summary Plan Description except as provided below.

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Provision	Current Employees, 2009 New Hires, 2012 New Hires and 2015 New Hires
Short Term Disability (STD)	<p><u>Current Employees, 2009 New Hires & 2012 New Hires</u></p> <p>Legacy AT&T Disability Benefits Program No change from current program.</p> <p><u>2015 New Hires</u></p> <p>AT&T Disability Income Program applicable to managers as described in the Summary Plan Description.</p>
Long-Term Disability (LTD)	<p><u>Current Employees, 2009 New Hires & 2012 New Hires</u></p> <p>Legacy AT&T Disability Benefits Program No change from current program.</p> <p><u>2015 New Hires</u></p> <p>The AT&T Disability Income Program as described in the Summary Plan Description, except that Temporary and Term employees are not eligible for LTD benefits.</p>
Dental	
Program	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>AT&T Dental Program (management provisions, except as provided below.)</p> <ul style="list-style-type: none"> • Dental PPO • DHMO (available at the discretion of the Company)
Eligibility for Coverage	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Eligibility for coverage continues to begin on first day of the month in which 6 months net credited service (NCS) is attained (also referred to as term of employment (TOE)).</p>
Eligibility for Company Subsidy	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Eligibility for company subsidy continues to begin on first day of the month in which 6 months net credited service (NCS) is attained (also referred to as term of employment (TOE)).</p>

Provision	Current Employees, 2009 New Hires, 2012 New Hires and 2015 New Hires						
Active (Full-Time) Monthly Contributions	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <ul style="list-style-type: none"> Dental PPO DHMO (available at the discretion of the Company) <p style="text-align: center;"><u>2016 - 2018 Contribution Amounts¹</u></p> <table> <tr> <td>Individual</td><td>\$ 7.00</td></tr> <tr> <td>Ind +1</td><td>\$14.00</td></tr> <tr> <td>Family</td><td>\$23.00</td></tr> </table> <p>¹ Contributions are after-tax only.</p>	Individual	\$ 7.00	Ind +1	\$14.00	Family	\$23.00
Individual	\$ 7.00						
Ind +1	\$14.00						
Family	\$23.00						
Active (Part-Time) Monthly Contributions	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Contributions are after-tax only. Provisions will apply as indicated in the Summary Plan Description. Note: Calculation of cost of coverage is subject to annual adjustment.</p>						
Deductible	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Provisions will apply as indicated in the Summary Plan Description.</p>						
Annual Maximum Benefit	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Provisions will apply as indicated in the Summary Plan Description.</p>						
Orthodontic Lifetime Maximum	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Provisions will apply as indicated in the Summary Plan Description.</p>						
Coverage Levels	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Provisions will apply as indicated in the Summary Plan Description.</p>						
Outside Network Area (ONA)	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>Provisions will apply as indicated in the Summary Plan Description.</p>						

Article 19

Provision	Current Employees, 2009 New Hires, 2012 New Hires and 2015 New Hires
Vision	
Program	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> AT&T Vision Program (management provisions) – except as provided below:
Eligibility for Coverage	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> Eligibility for coverage continues to begin on first day of the month in which 6 months net credited service (NCS) is attained (also referred to as term of employment (TOE)).
Eligibility for Company Subsidy	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> Eligibility for company subsidy continues to begin on first day of the month in which 6 months net credited service (NCS) is attained (also referred to as term of employment (TOE)).
Active (Full-Time) Monthly Contributions	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> Contributions as they change from time to time 2016 <u>Contribution</u> <u>Amounts¹</u> Individual \$2.00 Ind +1 \$4.50 Family \$7.50 ¹ Note: Contributions are after-tax only
Active (Part-Time) Monthly Contributions	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> Provisions will apply as indicated in the Summary Plan Description.
Coverage Levels	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> Provisions will apply as indicated in the Summary Plan Description
CarePlus	
Program	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> AT&T CarePlus – A Supplemental Benefit Program No change from current program.
Monthly Contributions	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> No change from current program. ^{1*} ¹ Contributions are after-tax only. [*] Note: Contribution amounts are subject to change from time to time at the sole discretion of the Company.

Provision	Current Employees, 2009 New Hires, 2012 New Hires and 2015 New Hires
General Benefits	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> The Company continues to retain the unilateral right to change, modify, amend, and discontinue the benefits offered under CarePlus.
Life Insurance	
Program	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> AT&T Group Life Insurance Program for Active Employees No change from current program.
Active Benefits	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> No change from current program. Note: Contribution amounts are subject to annual adjustments.
Definition of Pay	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> No change from current program.
Adoption	
Policy	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> AT&T Adoption Reimbursement Policy No change from current policy.
Coverage	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> No change from current policy.

Provision	Eligible Retired Employees
Retiree Provisions	Effective 1/1/2016: Applicable for the term of the Agreement to Eligible Retired Employees who terminate during the term of the Agreement.
Medical	
Program	Eligible Retired Employees shall be eligible to participate in the same provisions as a similarly situated active Current Employee, 2009 New Hire, 2012 New Hire or 2015 New Hire, except as noted below:

Article 19

Provision	Eligible Retired Employees
Eligible Retired Employees (Full-Time) Monthly Contributions	<u>2015 New Hires</u> ¹ <ul style="list-style-type: none">Eligible Retired Employees who are Non-Medicare eligible will pay 100% of full cost of coverage* with no Company subsidy.Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <u>2012 New Hires</u> ¹ <ul style="list-style-type: none">Eligible Retired Employees who are Non-Medicare eligible will continue to pay 100% of full cost of coverage* with no Company subsidy.Eligible Retired Employees who are Medicare eligible will continue to be ineligible for coverage. <u>2009 New Hires</u> ¹ <ul style="list-style-type: none">Eligible Retired Employees who are Non-Medicare eligible will continue to pay 50% of full cost of coverage*.Eligible Retired Employees who are Medicare eligible will continue to be ineligible for coverage. <p>*Note: Contribution amounts are subject to change from time to time at the sole discretion of the Company.</p> <u>Current Employees</u> ¹ <p>The contribution shall continue to be the same as for similarly situated active Current Employees.</p> <p>¹Contributions are after-tax only.</p>
Eligible Retired Employees (Part-Time) Monthly Contributions	<u>2015 New Hires</u> ¹ <ul style="list-style-type: none">Eligible Retired Employees who are Non-Medicare eligible will pay 100% of full cost of coverage* with no Company subsidy.Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <u>2012 New Hires</u> ¹ <ul style="list-style-type: none">Eligible Retired Employees who are Non-Medicare eligible will continue to pay 100% of full cost of coverage* with no Company subsidy.Eligible Retired Employees who are Medicare eligible will continue to be ineligible for coverage. <u>2009 New Hires</u> ¹ <ul style="list-style-type: none">Eligible Retired Employees who are Non-Medicare eligible will continue to pay 50% of full cost of coverage*.Eligible Retired Employees who are Medicare eligible will continue to be ineligible for coverage. <p>*Note: Calculation of the full cost of coverage is subject to change from time to time at the Company's discretion.</p> <u>Current Employees</u> ¹ <p>The contribution shall continue to be the same as for similarly situated active Current Employees.</p> <p>¹Contributions are after-tax only.</p>
Medicare Part B Premium Reimbursement	<u>2009 New Hires, 2012 New Hires & 2015 New Hires</u> Not Eligible. <u>Current Employees</u> No change from current program.

Provision	Eligible Retired Employees
Definition of Pay	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> Refer to the Summary Plan Description for the medical program in which they were active participants.
CarePlus	
Program	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> AT&T CarePlus – A Supplemental Benefit Program No change from current program.
Monthly Contributions	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> No change from current program. Note: Contributions are after-tax only.
General Benefits	<u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u> The Company continues to retain the unilateral right to change, modify, amend, and discontinue the benefits offered under CarePlus.
Dental	
Program	Eligible Retired Employees shall be eligible to participate in the same provisions as similarly situated active Current Employees, 2009 New Hires, 2012 New Hires or 2015 New Hires, except as noted in the sections below:
Eligible Retired Employees (Full-Time) Monthly Contributions	<u>2015 New Hires</u> ¹ <ul style="list-style-type: none"> Eligible Retired Employees who are Non-Medicare eligible will pay 100% of full cost of coverage* with no Company subsidy. Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <u>2012 New Hires</u> ¹ <ul style="list-style-type: none"> Eligible Retired Employees who are Non-Medicare eligible will continue to pay 100% of full cost of coverage* with no Company subsidy. Eligible Retired Employees who are Medicare eligible continue to be ineligible for coverage. <u>2009 New Hires</u> ¹ <ul style="list-style-type: none"> Eligible Retired Employees who are Non-Medicare eligible will continue to pay 50% of full cost of coverage*. Eligible Retired Employees who are Medicare eligible will continue to be ineligible for coverage. *Note: Contribution amounts are subject to change from time to time at the sole discretion of the Company. <u>Current Employees</u> ¹ The contribution shall be the same as for similarly situated active Current Employees. ¹ Contributions are after-tax only.

Provision	Eligible Retired Employees
Eligible Retired Employees (Part-Time) Monthly Contributions	<p><u>2015 New Hires</u>¹</p> <ul style="list-style-type: none">Eligible Retired Employees who are Non-Medicare eligible will pay 100% of full cost of coverage* with no Company subsidy.Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <p><u>2012 New Hires</u>¹</p> <ul style="list-style-type: none">Eligible Retired Employees who are Non-Medicare eligible will continue to pay 100% of full cost of coverage* with no Company subsidy.Eligible Retired Employees who are Medicare eligible will continue to be ineligible for coverage. <p><u>2009 New Hires</u>¹</p> <ul style="list-style-type: none">Eligible Retired Employees who are Non-Medicare eligible will continue to pay 50% of full cost of coverage*.Eligible Retired Employees who are Medicare eligible will continue to be ineligible for coverage. <p>* Note: Calculation of the full cost of coverage is subject to change from time to time at the Company's discretion.</p> <p><u>Current Employees</u>¹</p> <p>The contribution shall continue to be the same as for similarly situated active Current Employees.</p> <p>¹Contributions are after-tax only.</p>
Life Insurance	
Eligible Retired Employees Basic Life (Company Paid)	<p><u>2015 New Hires</u></p> <p>\$15,000 Retiree Basic Life</p> <p>These provisions will continue to apply:</p> <p><u>2009 New Hires and 2012 New Hires</u></p> <p>\$15,000 Retiree Basic Life</p> <p><u>Current Employees</u></p> <p>1X Annual Pay</p> <p>Note: For the purposes of Retiree Basic Life only, Annual Pay: Is the Employee's Rate of Pay as of 12/31/2009.</p> <p>Includes base wages, targeted commissions, team award, individual discretionary award, and miscellaneous pay, where applicable.</p>

Provision	Eligible Retired Employees
<p>Eligible Retired Employees</p> <p>Supplemental Life (Retiree Paid)</p>	<p><u>2015 New Hires</u></p> <p>Employees eligible for Supplemental Life coverage may add 1x annual pay to Supplemental Life coverage in effect at termination to replace the Basic Life coverage no longer available upon termination of employment.</p> <p><u>2009 New Hires & 2012 New Hires</u></p> <p>Employees eligible for Supplemental Life coverage may continue to add 1x annual pay to Supplemental Life coverage in effect at termination to replace the Basic Life coverage no longer available upon termination of employment.</p> <p><u>Current Employees</u></p> <p>No change from current program.</p>
<p>Definition of Pay</p>	<p><u>Current Employees, 2009 New Hires, 2012 New Hires & 2015 New Hires</u></p> <p>No change from current program.</p>
Vision	
<p>Eligible Retired Employees Vision Program</p>	<p><u>2015 New Hires</u></p> <p>Eligible Retired Employees shall be eligible to participate in the AT&T Eligible Former Employee Vision Program.</p> <p><u>Current Employees, 2009 New Hires & 2012 New Hires</u></p> <p>Eligible Retired Employees shall continue to be eligible to participate in the AT&T Eligible Former Employee Vision Program.</p>
<p>Eligible Retired Employees Monthly Retiree Contributions</p>	<p><u>2015 New Hires</u>¹</p> <ul style="list-style-type: none"> Eligible Retired Employees who are Non-Medicare eligible will pay 100% of full cost of coverage* with no Company subsidy. Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <p><u>2012 New Hires</u>¹</p> <ul style="list-style-type: none"> Eligible Retired Employees who are Non-Medicare eligible will continue to pay 100% of full cost of coverage* with no Company subsidy. Eligible Retired Employees who are Medicare eligible will continue to be ineligible for coverage. <p><u>Current Employees</u>¹ & <u>2009 New Hires</u>¹</p> <p>Eligible Retired Employees will continue to pay 100% of full cost of coverage* with no Company subsidy.</p> <p>*Note: Calculation of the full cost of coverage is subject to change from time to time at the Company's discretion.</p> <p>¹Contributions are after-tax only.</p>

Wellness

Effective as soon as administratively feasible on or after January 1, 2016, bargained AT&T Legacy T Puerto Rico Employees shall be eligible to participate in the AT&T Your Health Matters (YHM) Program as provided below.

The Your Health Matters Program includes Wellness programs as well as access to an online portal with a variety of tools and resources. Employees who enroll in a fully-insured medical coverage option such as an HMO or waive medical coverage (opt-out) will have access to the YHM portal, online programs and access to telephonic coaching. Below are examples of the benefits and services that would be made available to eligible bargained Employees under Your Health Matters:

Wellness Programs

- Easy Start
- Heart Health
- Diabetes Management
- Healthy Kids
- Exercise
- Nutrition
- Tobacco Cessation
- Stress Management
- Weight Management
- Healthy Aging
- Cancer Prevention

Health Questionnaire and Portal

The Company retains the unilateral right to change, modify, amend or discontinue the benefits under Your Health Matters.

This letter will remain in effect through the term of the 2015 Agreement.

May 12, 2015

Ms. Flagge, CWA Representative

Dear Ms. Flagge,

This letter addresses the medical coverage available to employees of Legacy T Puerto Rico covered under the 2015 Collective Bargaining Agreement.

The medical benefit provisions of the 2015 Collective Bargaining Agreement provide that effective January 1, 2016 the only coverage option available to these employees will continue to be a fully insured option which is available at the discretion of the Company. Currently that option is Triple S. The Company intends to continue to have this option available to the AT&T of Puerto Rico, Inc. bargaining unit employees. Should the Company determine not to continue the availability of Triple S to these employees, the Company's intent is to provide an alternative fully insured option. Should the Company determine not to offer a fully insured option, the Company will make available a self-insured coverage option.

Regards,

/s/Andrea R. Ward
Lead Labor Relations Manager

ARTICLE 20 – ABSENCE

1 Absence in General

An employee who will be absent for any reason shall promptly notify his or her supervisor with the reason for the absence and its probable duration. Absences with or without pay because of other reasons not outlined in this Article may be granted at the discretion of the Company.

2 Employees will be eligible to sick leave days in accordance with the Commonwealth of Puerto Rico law.

- (a) Absence for personal illness will be paid up to an employee's accrued number of sick days, and such paid days will be deducted from the total accrued sick days for the affected employee.
- (b) In addition to time actually worked, vacation and sick leave will count as worked time, for the purpose of the calculations in Paragraph 2 above.

3 Illness in Immediate Family

A regular employee may be granted up to a maximum of three (3) days in a calendar year with pay to attend to the needs of illness in the immediate family. The term "immediate family" as used above shall include parents, grandparents, spouse (including legally recognized partner (LRP)), children, grandchildren, brothers, sisters, parents-in-law, and other relatives living in the employee's household.

4 Death in the Family

A regular employee who is required to be absent one (1) day or more because of a death in the employee's immediate family shall be excused for such day or days, but not to exceed four (4) regular scheduled tours with pay. Immediate family means parents, grandparents, spouse (including legally recognized partner (LRP)), children, grandchildren, brothers or sisters, parents-in-law, and other relatives living in the same household with the employee. Should travel be required off the Island of Puerto Rico, the four (4) paid days described in Paragraph 4 above may be extended to five (5) days.

(a) Death not in Immediate Family

Any regular employee who requests an absence to attend the funeral of a more distant relative may be excused for such time as is necessary under the circumstances but not to exceed one (1) scheduled regular tour or their equivalent with pay.

5 Jury or Witness Duty

A regular employee who is not a party to the action and who is absent in compliance with a summons for jury duty or a subpoena requiring the employee to appear in court as a witness, shall be excused with pay for the period during which the employee is absent on regularly scheduled days because of such jury service or court appearance. When an employee is excused from jury or witness duty for part of a day, the employee shall report for the remainder of his or her scheduled tour.

6 Voting

Subject to service and coverage conditions and the provisions of applicable laws, an employee who is scheduled to work and who is eligible to vote in a general election shall, upon request, be excused for a reasonable period on such election day to enable the employee to vote; provided however, that the Company shall specify the period during which such an employee will be excused.

7 Personal Days

All active full and part-time employees will be eligible for Personal Days off with pay in accordance with the following:

- (a) Except as provided in paragraph (b) below, each employee shall be eligible for four (4) Personal Days in a calendar year.
- (b) Each employee who is hired after January 1 of a respective year will be eligible to Personal Days in accordance with the following schedule:
 - (1) January 1 to March 31 4 days
 - (2) April 1 to June 30 3 days
 - (3) July 1 to September 30 2 days
 - (4) October 1 to December 31 1 day
- (c) Personal Days shall be scheduled along with vacation selection under the provisions of Article 22, however, such days may be rescheduled by the employee pursuant to the procedure described in Paragraph 22, Paragraph 4.
- (d) Personal Days must be used in each respective calendar year and may not be carried over; neither will payment be made in lieu of unused Personal Days for any reason.
- (e) The Company and the Union recognize that it may be in the best interest of the employees to have the ability to take time off for brief intervals because of personal, immediate need. Accordingly, up to four (4) Personal Days may be used flexibly in accordance with the following:
 - (1) Employees shall designate and schedule their Personal Days in accordance with Article 22 (Vacations).
 - (2) Personal Days may be divided into increments of two (2) hours each (2 hours, 4 hours, 6 hours, etc).
 - (3) An increment may be taken at any time during the vacation schedule period up to and including the actual scheduled Personal Day provided his/her supervisor is notified before the beginning of the tour, or in the case of emergent circumstances arising after reporting to work, the employee notifies his/her supervisor of the need to take time off, and not more than ten percent (10%) of the administrative work group has already been granted time off. In the event more than ten percent (10%) of administrative work group is scheduled off, then the time may be granted if consistent with the needs of the business. In the event that the ten percent (10%) calculation results in a number less than one (1), that result will be rounded to one (1).

- (4) If there is unused time available on the day of the so-scheduled Personal Day, the employee must take the remaining time on the scheduled day.

ARTICLE 21 – WEEKLY WORK SCHEDULES AND HOURS OF WORK

- 1 Weekly schedules and tours of duty will be assigned in accordance with the needs of the business. Five (5) equal tours in one (1) calendar week of Sunday through Saturday, inclusive, shall constitute the normal workweek.

2 Work Schedules

A schedule shall be set up for each calendar week and shall show each employee's scheduled working days, the employee's scheduled tour including a meal period for each of these days and the employee's non-scheduled work days. (The term "scheduled day" shall refer to both scheduled regular and scheduled premium days.) Where service and coverage conditions require, an employee may be called on to work in excess of the employee's scheduled assignment.

- (a) Work schedules once established should not normally be changed without providing at least fifteen (15) calendar days' notice to the affected employee, however, where emergency service failures or coverage conditions require, an employee's schedule may be changed with less notification.
- (b) When an employee's schedule is changed, there will be no extra compensation provided; however, if extra work time is incurred as a result of the change in schedule according to the provisions of Article 18, Paragraph 2(a), then additional compensation shall be paid under the provisions of that Article.
- (c) Work Outside Assigned Tours: Work of the type usually done by a bargaining unit employee shall not be performed by supervisory employees when working outside of their assigned tours on scheduled and regularly assigned non-scheduled days if the effect would be to deprive qualified readily available bargaining unit employees of overtime work, except when in the judgment of the Company, exercised in good faith, such work is deemed necessary for the good of the service.
- (d) Arrangements between employees for the exchange of tours, or for the exchange of scheduled and non-scheduled days, or both, for their own convenience, may be made if properly approved by the Company.

3 Meal Period

- (a) Employees shall be eligible for a one (1) hour meal period during their normal tour. Such a meal period must occur after the employee has worked at least three (3) consecutive hours and before the sixth (6th) consecutive hour of work. Such meal periods may be reduced to one-half (1/2) hour with advance notification to the affected employee(s) pursuant to the provisions of Paragraph 2(a) above.
- (b) Employees who work more than five (5) consecutive hours immediately after a meal period shall be entitled to another meal period. Such a subsequent meal period shall be of one-half (1/2) hour duration. Notwithstanding the above, no employee will be entitled to a meal period when they work two (2) hours or less beyond their normal tour.

4 Relief Periods

Employees will be eligible for a relief period of fifteen (15) minutes during each half (1/2) tour of work. Such periods shall be taken with the approval of Management. Employees who work three (3) or more continuous hours in excess of their normal scheduled tour shall be assigned one (1) additional fifteen (15) minute relief period if those employees do not receive the additional meal period identified in 3(b).

5 Tour Selection

Tours for regular full time employees will normally be assigned on the basis of the highest preference available for the employee in the order of seniority. When it is feasible to do so, temporary employees shall be given their choice of tours in the order of seniority after regular employees have been given their choice of tours.

ARTICLE 22 – VACATION

1 Eligibility

Employees upon completion of one (1) year of Net Credited Service shall be eligible for vacation based on a combination of Net Credited Service and a monthly vacation day accrual factor for the first one hundred (100) hours worked each month as set forth in Paragraph (a) below.

(a) Accrual Schedule

<u>NCS</u>	<u>Accrual Factor</u>	<u>Maximum Vacation Days/Yr.</u>
0-9 Yrs.	1.5 Days/Month	18
10-24 Yrs.	1.67 Days/Month	20
25 and Over	2.08 Days/Month	25

(b) When an employee works fewer than one hundred (100) hours in a month, not including time not worked due to vacation days or personal illness, vacation accrual for that month will be prorated.

(c) Vacation will be accrued over a calendar year only.

2 Scheduling of Time Off

(a) Vacation accrued over one calendar year is expected to be used in the next calendar year. Employees will select available time off for which they are eligible from the schedule as determined by the Company in accordance with the procedures provided in this Article.

(b) Time off for this purpose includes full weeks of vacation, day-at-a-time vacation, Personal Days and days in lieu of holidays that occur during a scheduled vacation week.

(c) Employees shall select time off in seniority order within each administrative work group, in the priority set forth in this Article. It is the intent of the parties that the employees' selection will be granted to the extent practicable consistent with force requirements and the needs of the business.

- (d) The vacation selection process in an administrative work group will begin no earlier than November 1. The entire process of scheduling time off shall be completed by December 31.
- (e) An initial canvass will be made among employees in an administrative work group for selection of full vacation weeks. A second canvass will be made among employees in the administrative work group for selection of all other time off as specified in Paragraph (b) above.
- (f) An employee may select no more than one (1) full vacation week and/or any partially accrued vacation week at a day-at-a-time basis.
- (g) If an authorized holiday occurs during an employee's vacation, an additional day off with pay will be scheduled. This additional day off will be considered a vacation day for the purpose of determining work schedules.

3 Payments in Lieu of Vacation

In the event of an employee's resignation, discharge or death before using all the vacation which the employee has accrued, an amount equivalent to such accrued vacation shall be paid to the employee, his or her beneficiary or estate.

4 Rescheduling Vacation

- (a) If an employee is permanently transferred, assigned, or reassigned to a different administrative work group covered under this Agreement as a result of a Company initiated transfer, assignment or reassignment, then to the extent that needs of the business permit, the employee will retain the vacation schedule that was approved in the prior administrative work group.
- (b) If an employee initiates a transfer, he or she is required to re-select his or her vacation from those days available within the new administrative work group.
- (c) Employees who transfer from another AT&T Company or Business Unit, not covered by the Agreement, shall be entitled to vacation in the current calendar year under the provision of Paragraph 1 as if they had been employees covered by this Agreement. However, any such vacation entitlement shall be reduced by the amount of vacation used, or payment in lieu of vacation the employee received in the current calendar year, while employed in the former AT&T Company or Business Unit.
- (d) Subject to the needs of the business and force requirements, employees may reschedule any of their vacation to available vacation periods, but may not preempt the period selected by any other employee. Such notice of a schedule change request must be presented to Management at least thirty (30) days prior to the originally scheduled vacation.

5 Payment for Vacation

- (a) Payment for vacation shall be at the employee's basic wage rate, and will include a night differential payment if the employee had received such a differential payment for the predominant number of scheduled tours during the week preceding a vacation.

- (b) If an employee's accrued vacation or portion thereof is not used in the calendar year following accrual, when such vacation is taken the employee will be paid at a rate of double an employee's daily basic wage rate in effect at the time the vacation is taken or at the time the vacation was accrued, whichever is higher. Such double time rate shall not apply where an employee returns from a period of absence where insufficient time remains to take unused accrued vacation in the year following accrual.
- 6 An employee's vacation assignment in a particular vacation week or on a particular vacation day shall not be modified because of death in the family, or illness in the family, which occurs after that vacation assignment has begun; however, in cases of personal illness or accident if the employee presents the Company with a doctor's certificate, such employee may use any sick leave to which he/she is eligible and reschedule the vacation days on which he/she was ill or injured.

ARTICLE 23 – HOLIDAYS

- 1 All employees are eligible for ten (10) holidays in each calendar year.

Commencing with the year 1992 and every four years thereafter General Election Day will be an additional holiday. This additional holiday will be in effect for the election year only after which the number of holidays will return to 10 days.

- 2 Prior to November 1 and before vacation selection begins, the Company will meet with Local Union representatives to designate the holidays for the following calendar year. The designation of these holidays will be by mutual agreement.

3 **Holiday compensation for full-time employees shall be as follows:**

- (a) Full-time employees who are excused from work on the day a holiday is observed shall be paid a holiday allowance equal to the employee's daily basic wage rate.
- (b) Full-time employees who work on the day a holiday is observed shall be paid, in addition to the holiday allowance, at one and one-half (1-1/2) times hourly basic rate for time worked during their regularly scheduled tour. Hours worked outside the regularly scheduled tour shall be compensated at two and one-half (2-1/2) times an employee's hourly basic wage rate.
- (c) The two and one-half (2-1/2) rate in Paragraph (b) above shall be the maximum compensation for work on a holiday and such a rate shall not be increased by any rate that otherwise may be applicable.

4 **Holiday compensation for part-time employees shall be as follows:**

- (a) A part-time employee shall be paid a holiday allowance equal to one-fifth (1/5) of that employee's "equivalent work week classification."
- (b) A part-time employee who works on a holiday shall be paid, in addition to Paragraph (a) above, at the hourly basic wage rate for hours worked, until such time as he or she has worked more than eight (8) hours in a twenty-four (24) hour period or more than forty (40) hours in a week, in which case hours worked will be paid at the Overtime Rate or Double Time Rate as applicable under the provisions of Article 18, Paragraph 2.

5 **Holiday Scheduling**

- (a) In a week in which an authorized holiday occurs, one (1) of the regularly scheduled tours shall be on the holiday.
- (b) When a holiday occurs on a Sunday, the following Monday shall be observed as the holiday and employees shall be compensated pursuant to Paragraphs 3 and 4, as appropriate on the observed holiday.

ARTICLE 24 – FORCE ADJUSTMENT

1 **Layoffs and Part-Timing**

Whenever force conditions are considered by the Company to warrant part-timing or layoff of regular employees, such force adjustments as the Company may deem necessary, shall be made among those regular employees having the same job title.

- (a) Prior to any regular employee being laid off or part-timed pursuant to this Article, temporary employees in the same job title shall be work completed. However, such temporary employees may be retained or employed temporarily to meet peak load situations or other temporary situations.
- (b) In the event that further force adjustments are deemed by the Company to be necessary, the Union shall be advised by the Company as to its proposed plan for accomplishing such further force adjustments sixty (60) days before the adjustment is to become effective. During the first forty-five (45) calendar days of the sixty (60) day period, the Union may offer the Company, in writing, a plan to accomplish the force adjustments deemed by the Company to be required. If the Union's plan meets the foregoing requirements, the Company agrees to consider the plan proposed by the Union. If no such written plan is received by the Company from the Union within said forty-five (45) days, or if the parties are unable to agree upon a plan, the Company will proceed with the force adjustments according to the plan the Company proposed.
- (c) Whenever such force adjustments are accomplished by layoffs, such layoffs shall be among those regular employees having the same job title in inverse order of seniority.

2 Rehiring

If additions of regular employees to the work force are required in the affected job titles, within three (3) years of the last layoff therein, the Company shall proceed as follows before hiring new employees:

- (a) Former regular employees who held the affected job title at time of layoff, shall be offered reemployment in their prior job title (or its successor title or for a title of equivalent status for which they qualify), in inverse order in which such employees were laid off, provided:
 - (1) Their period of layoff has not exceeded three (3) years; and
 - (2) They are physically able to perform the duties of the work available.
- (b) Notice for rehiring shall be mailed by certified or registered letter, return receipt requested, to the employees last mailing address known to the Company's Human Resources office.
- (c) The Company will assume that failure on the part of any former employee to notify the Company within fifteen (15) days concerning acceptance of an offer of reemployment or to report for duty within fifteen (15) calendar days from the date of the offer constitutes a rejection.
- (d) It shall be the responsibility of such former employees to notify the Company's Human Resources office of their desire for reemployment, and to keep the Company currently informed of their correct address.
- (e) Nothing in this Agreement shall limit the engagement of temporary employees in the event of an emergency or to meet peak load or other temporary situations.

3 Layoff Payments

Employees laid off under the provisions of this Article will be entitled to a payment as specified in Article 25.

ARTICLE 25 – TERMINATION PAYMENTS

- 1 A termination payment, plus compensation for any vacation to which the employee is entitled at the time of leaving the Company, shall be paid to a regular employee who is laid off or may be offered by the Company to an employee(s) as an inducement to voluntarily leave the Company.
- 2 The termination payment shall be computed in accordance with the following schedule and shall be based on the employee's Net Credited Service and the employee's weekly basic wage rate, except that for an employee who received a night differential payment for the week in which the date of the layoff or resignation due to inducements described above occurred, the rate of pay shall include the night differential payment.

<u>Years of Net Credited Service</u>	<u>Amount of Payment</u>
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Less than 1 year	None
1 year but less than 2 years	1 weeks' pay
2 years but less than 3 years	2 weeks' pay
3 years but less than 4 years	3 weeks' pay
4 years but less than 5 years	4 weeks' pay
5 years but less than 6 years	6 weeks' pay
6 years but less than 7 years	8 weeks' pay
7 years but less than 8 years	10 weeks' pay
8 years but less than 9 years	12 weeks' pay
9 years but less than 10 years	16 weeks' pay
10 years but less than 11 years	20 weeks' pay
11 years but less than 12 years	24 weeks' pay
12 years but less than 13 years	28 weeks' pay
13 years but less than 14 years	32 weeks' pay
14 years but less than 15 years	36 weeks' pay
15 years but less than 16 years	40 weeks' pay
16 years but less than 17 years	44 weeks' pay
17 years but less than 18 years	48 weeks' pay
18 years but less than 19 years	52 weeks' pay
19 years but less than 20 years	56 weeks' pay
20 years but less than 21 years	60 weeks' pay
21 years but less than 22 years	64 weeks' pay
22 years but less than 23 years	68 weeks' pay
23 years but less than 24 years	72 weeks' pay
24 years but less than 25 years	76 weeks' pay
25 years but less than 26 years	80 weeks' pay
26 years but less than 27 years	84 weeks' pay
27 years but less than 28 years	88 weeks' pay
28 years but less than 29 years	92 weeks' pay
29 years but less than 30 years	96 weeks' pay
30 years but less than 31 years	100 weeks' pay
31 years but less than 32 years	104 weeks' pay

Note: The maximum amount of termination payment shall not exceed twice the basic annual salary plus the applicable differential or one hundred four (104) weeks.

- 3 The termination allowance shall, at the option of the employee, be paid in a lump sum, less applicable deductions, as income continuation in periodic installments, subject to the limitations in Subparagraphs 1 and 2 below, or in two (2) equal payments (the first payment to be made within thirty (30) calendar days of date of termination and the second payment to be made on or about January 15th of the following year). If an employee elects to receive income continuation periodic installments, each installment will be equal to one (1) week of the Adjusted Rate, for each week in the employee's normal payroll period, less applicable deductions, and will be paid during the normal payroll period. Income continuation periodic installments shall continue until the earliest occurrence of either of the following events:
 1. The total amount of the income continuation installments to the employee equals the total amount of termination allowance which the employee is to receive.
 2. The employee is recalled or rehired as a regular employee by AT&T of Puerto Rico or any AT&T affiliate, subsidiary or entity.
- 4 Employees, as a condition precedent to being recalled to AT&T of Puerto Rico or rehired as regular employees of AT&T of Puerto Rico or any AT&T affiliate, subsidiary or entity, shall repay that portion of the termination allowance they received that is equal to their weekly basic wage rate multiplied by the difference between the number of weeks used to compute their termination allowance and the number of weeks (or fraction thereof) from the date of their termination to the date of their recall or rehired as regular employees of AT&T Puerto Rico or any AT&T affiliate, subsidiary or entity. Employees who are recalled or rehired as other than regular employees and who are subsequently reclassified as regular employees, shall, as a condition precedent to such reclassification, also make repayment pursuant to this Paragraph 3 based upon the difference between the number of weeks used to compute their termination allowance and the number of weeks (or fraction thereof) from the date of their termination to the date of their reclassification.
- 5 The provisions of Paragraph 1 do not apply in case of:
 - (a) An employee leaving the Company voluntarily without inducement by the Company;
 - (b) An employee on a leave of absence;
 - (c) An employee transferred to or employed by AT&T Corp., its affiliated or subsidiaries, or their affiliates or subsidiaries;
 - (d) An employee who is dismissed as described in Article 12, Paragraph 4;
 - (e) An employee who is classified as Temporary at the time they are work completed.

ARTICLE 26 – SENIORITY

Length of service (Net Credited Service) shall be taken into account in the treatment of employees insofar as the conditions of the business and the abilities of the employees permit.

EXHIBIT #1

Social Security Number

Employee Name (Last, First, Middle Initial)

AT&T of Puerto Rico, Inc.

Employee Authorization for Payroll Deduction
of Union Dues and Initiation Fee for CWA

Beginning in _____ I hereby authorize AT&T of Puerto Rico, Inc.
To deduct each pay period, from my salary or wages, sickness or accident disability
payments or vacation payments the amount of regular union dues prorated for the
pay period or an equal amount equivalent thereto as certified to the Company by the
Secretary Treasurer of the Communications Workers of America. This authorization
is voluntarily made and is neither conditioned on my present or future membership in
the Union nor is to be considered as the quid pro quo for membership. Each amount
so deducted shall be remitted by the Company to the Secretary Treasurer of the
Communications Workers of America or his/her duly authorized agent. If for any
reason the Company fails to make a deduction, I authorize the Company to make
such deduction in a subsequent payroll period. This authorization shall continue in
effect until canceled by written notice signed by me, and individually sent certified
mail to the Company, during the fourteen (14) day period prior to the anniversary
date or termination date of the current or any subsequent Collective Bargaining
Agreement.

Employee Signature Date Bus. Tel. No. ()

In addition, I voluntarily authorize AT&T of Puerto Rico, Inc. to deduct from my
salary, wages or other payment an amount of _____ in payment of my initiation
fee,

(Date) (Signature of Employee)

APPENDIX 1

- (A) JOB CLASSIFICATION/TITLE**
- A**
 - B**
 - C** Computer Operator
 - D**
 - E** Administrative Clerk
Inventory/Shipping & Receiving Clerk
 - F** Accountant I
Purchasing Assistant
Record/Date Coordinator
Sales Support Representative
 - G** Utility Worker
 - H** Accountant II
 - I** Communications Technician
Infrastructure Customer Care Desktop Support

(B) WAGE SCHEDULES**Wage Schedule 1
Level SCHEDE**

End of Month	4/12/2015	4/10/2016	4/9/2017
0	\$500	\$500	\$500
6	\$523	\$524	\$526
12	\$547	\$550	\$554
18	\$572	\$577	\$583
24	\$598	\$605	\$614
30	\$625	\$634	\$646
36	\$654	\$665	\$680
42	\$684	\$697	\$715
48	\$715	\$731	\$753
Pension Band	101	101	101

**Wage Schedule 2
Level SCHEDH**

End of Month	4/12/2015	4/10/2016	4/9/2017
0	\$550	\$550	\$550
6	\$571	\$573	\$575
12	\$593	\$597	\$601
18	\$616	\$622	\$628
24	\$640	\$647	\$657
30	\$665	\$674	\$687
36	\$691	\$702	\$718
42	\$717	\$732	\$751
48	\$745	\$762	\$785
Pension Band	106	106	106

**Wage Schedule 3
Level SCHEDI**

End of Month	4/12/2015	4/10/2016	4/9/2017
0	\$600	\$600	\$600
6	\$633	\$634	\$636
12	\$668	\$671	\$674
18	\$705	\$709	\$714
24	\$744	\$750	\$757
30	\$785	\$793	\$803
36	\$829	\$838	\$851
42	\$875	\$886	\$902
48	\$923	\$937	\$956
54	\$974	\$991	\$1,013
60	\$1,028	\$1,048	\$1,074
66	\$1,085	\$1,108	\$1,138
72	\$1,145	\$1,171	\$1,206
Pension Band	111	111	111

(C) PENSION BANDS

<u>JOB CLASSIFICATION</u>	<u>PENSION BAND</u>
A – B – C – D - E	101
F	102
G - H	106
I	111

OTHER AGREEMENTS

The following matters have been the subject of negotiations between the parties, are settled and disposed of and are set forth in this section in as much as they are not included in the Articles, Exhibits and Appendices previously set forth in this Memorandum of Agreement, although one or more provisions, attachments or letters may be reprinted with the 2015 Agreement.

DEVELOPMENT OF FUTURE LEADERS

AT&T of Puerto Rico, Inc. and CWA would like to reaffirm their assertion that continuous investment in employees is an essential strategy towards maintaining competitiveness in a global environment. As we progress to the next century, new developments in technology will continue to increase demands for high tech skills. Upgrading the skills of employees to perform more value-added jobs benefits the employee, AT&T of Puerto Rico, Inc. and the customer. In the last two decades, global competitive markets, government involvement, and organizational re-configuration have reshaped our work world, and the employees of AT&T of Puerto Rico, Inc. have experienced the constant challenge of change. As we look forward to the next century, new organizational structures -- involving flexible work systems, self-directed teams, interactive planning, continuous learning and quality improvement -- will require well-educated employees who can analyze business information, make informed decisions, manage more complex processes and solve customer problems.

In this Agreement, the Company and the Union commit to the building of a workforce that is proficient in fundamental, technical and computing skills and creative in using those skills to benefit customers so that AT&T of Puerto Rico, Inc. is highly competitive in every aspect of its business.

To prepare AT&T of Puerto Rico, Inc. and its employees to compete in a constantly changing, global environment, the Company and the Union will continue their commitment to education and training programs to meet these ends. "Development of Future Leaders" is an educational, training, and academic program for employees, their children, and their communities. The substance of each of these programs is set forth below.

DEVELOPMENT OF FUTURE LEADERS – COMMITMENT TO EACH EMPLOYEE

- (a) Regular full-time (not temps or occasionals) employees will be provided the opportunity for a minimum of forty (40) hours of education and training that is skill based or job related during each calendar year. Examples of applicable education and training include, but are not limited to the following: corporate training, Alliance telecommunications training package, Business Operating Unit/Division training, personal development, on-the-job and/or career-related training including that which may be assigned by management in support of preparation for Workforce 2020. The forty (40) hour minimum will be prorated for part-time employees, mid-year hires, and employees who work less than a full year. As discussed in bargaining, the parties desire that such training is not solely limited to compliance training.
- (b) The AT&T of Puerto Rico, Inc. Tuition Assistance Plan (TAP) will provide tuition assistance for Employees by means of reimbursement of eligible expenses incurred once the Employee has successfully completed the course(s) in accordance with TAP requirements and provided the supporting documentation determined by the Company to be necessary. The following also apply:

To be eligible the Employee must have a minimum of six (6) months of service

The Employee must pursue a degree in one of twenty (20) approved undergraduate degree programs or one of eight (8) approved STEM* (Science, Technology, Engineering and Mathematics) graduate degree programs. At any time, at the sole discretion of management, the Company may make modifications to the qualifying programs. All other terms and conditions associated with TAP will continue to apply during the life of the agreement.

The annual CAP on reimbursement of eligible expenses will be \$5,250 for approved undergraduate as well as graduate degree programs except that part time Employees who work more than twenty (20) hours per week will be reimbursed for 75% of eligible expenses up to a maximum of \$3937.50 and part time Employees who work 20 hours a week or less will be reimbursed for 50% of such expenses up to a maximum of \$2625.

The lifetime CAP for approved undergraduate degrees will be \$20,000 and for approved graduate degrees it will be \$25,000.

Management reserves the right to deny reimbursement for graduate programs based on its determination of needs of the business.

In addition, if an employee voluntarily separates from the Company, the employee will reimburse the Company for all reimbursement payments it made during the Employee's last twelve months on payroll and will reimburse the Company for fifty percent (50%) of reimbursements it made during the twelve to twenty four month period prior to the Employee's separation.

Except as provided here, the current procedures for TAP will apply.

- The Company will grant one (1) hour of paid time-off per week, for up to one (1) continuous year, to regular full-time (not part-time, or temps) employees who actively perform certified volunteer work as a literacy or bilingual training volunteer. Documentation from the preceding week will qualify the employee for one (1) hour of paid time-off during the following week. The scheduling of time-off for literacy volunteers will consider the needs of the business.

DEVELOPMENT OF FUTURE LEADERS – COMMITMENT TO THE FAMILIES OF AT&T OF PUERTO RICO EMPLOYEES

AT&T of Puerto Rico, Inc. will continue the AT&T of Puerto Rico, Inc./CWA Academic Awards Program for calendar years 2015-2016, 2016-2017, 2017-2018 with the following exceptions:

In the future, Tier One, AT&T of Puerto Rico, Inc./CWA Academic Gold Award will be awarded to 1 (one) recipient and they must maintain a continuous 2.75 GPA or higher (on a 4 point scale) for each additional year of participation. The Tier 2, AT&T of Puerto Rico, Inc./CWA Academic Silver award will be awarded to 5 participants. All other Program requirements remain the same.

SUCCESS SHARING PLAN

Based on the Union and Company’s desire to have employees share in the success of AT&T Inc. (AT&T), the parties agree to a Success Sharing Plan (SSP). Eligible employees may receive annual lump sum cash payments based on AT&T stock price appreciation and AT&T dividend rate.

A. Plan Components

1. Success Units

Employees will be awarded 150 success units at the beginning of each award year (October 1, 2015, October 3, 2016 and October 2, 2017). Those success units will only be valid for that award year and will not carryover to the next award year. A success unit is only used as a multiplier in the payout calculation and is not a share of stock nor has any other value.

2. Determining Award Value

Award Year	Beginning Award Value	Ending Award Value
2016 (October 1, 2015 to September 30, 2016)	October 1, 2015 closing AT&T stock price	September 30, 2016 closing AT&T stock price
2017 (October 3, 2016 to September 29, 2017)	October 3, 2016 closing AT&T stock price	September 29, 2017 closing AT&T stock price
2018 (October 2, 2017 to September 28, 2018)	October 2, 2017 closing AT&T stock price	September 28, 2018 closing AT&T stock price

The stock price used in establishing the award value will be the closing AT&T stock price on the New York Stock Exchange.

The award value will be adjusted proportionally to reflect any stock split.

3. Determining Dividend Rate Value

The dividend rate value will be determined by adding each AT&T declared quarterly dividend during the Award Year (historically December, March, June, and September) and multiplying this total by 150 success units.

4. Payout

Employees will receive a total award based on the difference between the ending award value and the beginning award value for the Award Year times 150 success units plus the dividend rate value. For example:

Stock Appreciation Value:

Beginning award value – October 1, 2015 closing AT&T stock price \$33.00

Ending award value – September 30, 2016 closing AT&T stock price \$38.00

Payout – $\$38 - \$33 = \$5 \times 150 \text{ success units} = \750.00

Dividend Rate Value:

December 2015 declared dividend \$.47

March 2016 declared dividend \$.47

June 2016 declared dividend \$.47

September 2016 declared dividend \$.47

Total Declared Dividend \$1.88

Dividend Rate Value - $\$1.88 \times 150 \text{ success units} = \282.00

Total Award

$\$750.00 \text{ stock appreciation value} + \$282.00 \text{ dividend rate value} = \$1,032.00$

The award payment will be made as soon as practicable after the award year and will normally occur the payday of the last full pay period in November.

B. Eligibility

Employees eligible for payments as described above are those regular, temporary and term employees who are on the payroll on both the beginning and ending dates of the Award Year and who work for a minimum of three (3) months within the Award Year in a position covered by this Collective Bargaining Agreement. Eligible employees who are on approved leaves of absence, short-term disability absence or partial disability absence and meet the other eligibility requirements on the ending date of the Award Year shall receive a payment, provided they return to duty on or before December 31 of the year in which the payment is made.

Other Agreements

C. Part-Time Employees

Eligible regular part-time employees will receive prorated payments based on their part-time classification (or “part-time equivalent work week”) on the ending date of the Award Year.

D. Benefits Treatment

SSP payments will be recognized as eligible compensation under the following benefit plans:

- Medical
- Life Insurance
- Pension
- Savings Plan

E. Taxes, Personal Allotments

Payments are subject to Commonwealth income taxes, Social Security Tax, Medicare Tax, and any other applicable taxes at the time of payment. Union dues will be deducted at the same rate as they are deducted for wages. Employees with pre-tax elections to the Savings Plan will not have Commonwealth Income Taxes deducted from that portion.

Personal allotments such as United Way contributions will not be made.

F. Dispute Resolution

Company determination under this plan shall be final and binding. The Union may present grievances relating to matters covered by the SSP, but neither the plan nor its administration shall be subject to arbitration.

2012 LETTERS EXTENDED

The following letter which the parties agreed to continue during the term of the 2012 Agreement will continue in accordance with their original terms as part of the 2015 Agreement.

Other Agreements	Successorship
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SUCCESSORSHIP

The Company agrees that in any agreement to sell a portion of its assets in a transaction involving the transfer of Employees subject to the parties' 2012 Agreement, as a condition of the closing of such sale, that the Buyer shall agree to assume the terms of the 2012 Agreement, provided that the Buyer shall have the right to re-open the unexpired 2012 Agreement at any time after twelve (12) months but no longer than twenty-four (24) months following the Closing of the sale, the re-opening of which the Union hereby agrees to accept or, the Buyer and Union may bargain at the expiration of the 2012 Agreement, whichever is earlier. In no event will the terms of this Successorship Agreement limit any of the Company's existing rights under the 2012 Agreement. The Company further agrees it will notify the Union at least 30 days prior to the close of such proposed transaction and, during such 30 day period, will meet with the Union upon request to engage in effects bargaining and to discuss the business reasons for the Company's decision.

2009 LETTERS EXTENDED

The following letters which the parties agreed to continue during the term of the 2012 Agreement will continue in accordance with their original terms as part of the 2015 Agreement.

Other Agreements	Work & Family Programs
Other Agreements	Service Anniversary

WORK & FAMILY PROGRAMS

AT&T of Puerto Rico, Inc. and the Communications Workers of America (CWA) agree to continue the following Family Care Programs:

Family Resource Programs (enhanced):

- Child Care Resource & Referral
- Elder Care Resource & Referral
- Adoption Resource & Referral

Employee access to the Family Resource Programs will be expanded to 24-hour availability.

Leaves of Absence:

- Care of Newborn/Newly Adopted Child Leave (formerly Care of Newborn Child Leave)
- Family Care Leave

Gradual Return to Work:

The Gradual Return to Work Program will continue for those returning from a Family Care Leave or a Care of a Newborn/Newly Adopted Child Leave up to a maximum of six (6) months.

SERVICE ANNIVERSARY

April 5, 2009

Ms. Martha Flagge, CWA Representative

Re: Service Anniversary

Dear Martha,

The Company agrees to continue to extend the current AT&T Service Anniversary and Retirement Award Program to employees covered by this Agreement.

Regards,

/s/Catie Kearney

Lead Labor Relations Manager

Other Agreements

2005 LETTERS EXTENDED

The following letters which the parties agreed to continue during the term of the 2005 Agreement will continue in accordance with their original terms as part of the 2015 Agreement.

(C)	Military Leave of Absence
(D)	Elimination of Language
(E)	New Job Titles and Classification
(G)	Alliance for Employee Growth and Development for AT&T Puerto Rico
(I)	Special Social Security Supplement
(K)	Card Check
(M)	Agency Temp
(O)	AT&T of Puerto Rico CRC/Sub-Contracting Committee

(C) MILITARY LEAVES OF ABSENCE

A regular employee (not temporary) who enters the United States Uniformed Services for Active Duty for Military Service shall be granted a Military Leave of Absence for the period of his/her necessary absence. Voluntary extension of military service beyond five (5) years shall not be construed as necessary absence. A regular employee (not temporary) who is a member of a reserved component or organized militia of the Commonwealth of Puerto Rico and enters upon Military Training Duty will be granted a Military Leave of Absence for the period of the necessary absence for such training. The term "Uniformed Services" as used herein shall mean Uniformed Services of the United States as specified in the Uniformed Services Employment and Reemployment Rights Act of 1994.

An employee, on a Military Leave of Absence for Active Duty for Military Service or military training duty and who has re-employment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 and who makes application for reinstatement within the period provided in the law, will receive upon reinstatement, full service credit for the period of absence for military service or training duty.

Military Leaves of Absence will be with eligibility to sickness disability benefits at the termination of the leave if the employee is then disabled but otherwise entitled to reinstatement in accordance with the terms of the applicable AT&T and/or AT&T of Puerto Rico Benefit Plans.

Sickness disability benefits, where payable, shall be granted upon the net credited service at the time the leave was granted plus the elapsed time on Military Leave of Absence to the termination of such leave, and shall be computed on the basis of AT&T Puerto Rico pay in effect at the time of the employee's reinstatement.

It is the policy of AT&T of Puerto Rico to pay a Military Differential Pay to regular employees (not temporary) who receive and provide the Company with a copy of military orders for military service in the U. S. Armed Forces subject to conditions imposed by federal law.

Military Differential Pay is the excess of AT&T or Puerto Rico pay over military pay received by an eligible employee while on a Military Leave of Absence.

AT&T of Puerto Rico pay is an employee's basic wage rate (excluding overtime) in effect at the time the Military Leave of Absence begins. Night work differentials are included.

Regular employees who volunteer for Military Training Duty (including attendance at schools for special military courses or instruction) or Emergency Service without receiving military pay, will be authorized time off, but without AT&T of Puerto Rico pay or Military Differential Pay.

Upon furnishing official written documentation to his/her supervisor, a regular employee may be granted up to three (3) scheduled workdays off with pay to report for registration, testing and/or physical examination for induction into Active Pay for Military Service or Initial Active Duty for Training.

An employee who receives a notice to report for Active Duty for Military Service, or any Military Training Duty, shall immediately present such notice to his/her supervisor.

Other Agreements

Military pay is an employee’s military basic pay rate in effect when the Military Leave of Absence begins. All allowances and supplementary pay elements [i.e., BAS (Basic Allowance for Subsistence), BAQ (Basic Allowance for Quarters), Hazardous Duty Pay, Proficiency Pay, Special Duty Pay] are not included.

The Military Differential Pay shall be up to the limits prescribed in the following or the period of Military Service, whichever is shorter:

If the leave of absence and Duration are...	And the date the leave begins the employee’s net credits service is...	Then the duration of Military Differential Pay is...
Active Duty for Military Service (normally 2-5 years)	1 year or less	First 15 weeks
(See note 3)	More than 1 year	First 26 weeks
Military Training Duty- Normally 2 weeks. (see note 1)	No minimum	A maximum of 13 scheduled workdays (including holidays in each Military Fiscal Year (Oct. 1- Sept. 30)
Initial Active Duty for Training (at least 3 consecutive months but no more than 18 months	No minimum	First 2 weeks (10 days)
Emergency Service	No minimum	A max. of 13 scheduled workdays (including holidays) in each calendar year (see note 2)

Note 1: Includes attendance at schools for special military courses of instruction which may last several months.

Note 2: An absence for Emergency Service does not affect an employee’s right or eligibility with respect to Military Training Duty, Initial Active Duty for Training, or Active Duty for Military Service. If the local emergency situation exceeds 13 scheduled workdays, pay treatment for additional time must be approved by the AT&T Pension Plan Administrator.

Note 3: Payment of Military Differential Pay, for up to the maximum durations described above, is limited to the time when an employee initially enters Active Duty for Military Service. The employee is not again eligible for the maximum payments, regardless of the number of times the employee enters Active Duty for Military Service.

Regular employees who volunteer for Military Training Duty (including attendance at schools for special military courses or instruction) or Emergency Service without receiving military pay, will be authorized time off but without AT&T pay or Military Differential Pay.

Upon furnishing official written documentation to his/her supervisor, a regular employee may be granted up to three (3) scheduled workdays off with pay to report for registration, testing and/or a physical examination for induction into Active Duty for Military Service or Initial Active Duty for Training.

An employee who receives a notice to report for Active Duty for Military Service or any Military Training Duty, shall immediately present such notice to his/her supervisor.

The Company may extend the duration of Military Differential, but when it does so, the Union will be notified at least two (2) work days prior to implementation.

(D) ELIMINATION OF LANGUAGE

During our recent negotiations we have discussed the elimination of language which had appeared in the 1998 and 2002 Settlement Memorandum and the 2003 Extension because, the titles the language addressed are no longer populated in AT&T of Puerto Rico.

As we agreed, in the event the Company during the term of the 2005 Agreement, reintroduces the titles to which this language applied, or introduces into the bargaining unit, titles performing substantially similar duties, it will enter into negotiations with the Union over the terms and conditions of employment applicable to those employees, understanding that the Union will use the eliminated language as a base document, with the understanding that either party may propose modification to or elimination of that language.

Other Agreements

(E) NEW JOB TITLES AND CLASSIFICATIONS

December 11 , 2005

Mr. Gerald Souder
CWA Representative
Communications Workers of America
501 Third Street, N.W.
2nd Floor
Washington, DC 20001
Chairperson – Bargaining Committee

Dear Gerald:

This will confirm our discussion during 2005 contract negotiations regarding the Union's desire for a greater opportunity to provide input when a new job is introduced or an existing one is restructured. If during the life of the 2005 Agreement AT&T of Puerto Rico notifies the Union pursuant to Article 17 that it intends to introduce a new job title or restructure or redefine an existing one, the local president or their designee and the company designated representative will meet within the 30 day period following the union's receipt of the notice if the Union requests to do so.

Sincerely,

/s/Catie Kearney
Senior Specialist – Labor Relations

(G) ALLIANCE FOR EMPLOYEE GROWTH AND DEVELOPMENT FOR AT&T PUERTO RICO (FORMERLY TRAINING & DEVELOPMENT)

To address the Communications Workers of America interest in training and development for bargaining unit employees at AT&T Puerto Rico, the Company will agree to provide training through the existing Alliance for Employee Growth and Development Program through the expiration of the 2005 agreement.

(I) SPECIAL SOCIAL SECURITY SUPPLEMENT (FORMERLY 1998 MEMORANDUM OF AGREEMENT ITEMS)

Effective December 11, 2005, Social Security Supplement payments, under the AT&T Pension Plan that were made available to designated eligible employees who were involuntarily terminated under a force adjustment program during specified periods during the term of the 1995 Memorandum of Agreement and subsequent agreements, shall be made available during the term of this Memorandum of Agreement subject to the following:

- (a) Eligibility for the payments under this provision shall be limited to eligible employees with fifteen (15) or more years of service as of June 30, 1998, who are involuntarily terminated (with less than thirty (30) years of service and at an age under age 55) with service pension eligibility under a force adjustment program at any time during the term of this Memorandum of Agreement and who elect to receive their pension benefit (commencing immediately upon termination) based on the traditional pension bands and only in the form of one of the lifetime annuity distribution options offered under the AT&T Pension Plan;
- (b) The amount of such Social Security Supplement payments shall equal the amount of the reduction in an employee's monthly annuity payment because of retirement prior to age fifty-five (55) (but not in excess of an employee's projected Social Security benefit at age sixty-five (65)), and the duration of such payments shall end on the first to occur of twelve (12) years of payments, attainment of age sixty-two (62) or the death of the retired employee.

(K) CARD CHECK LETTER

December 11, 2005

Mr. Gerald W. Souder
CWA Representative
Communications Workers of America
501 Third Street, N.W., 2nd Floor
Washington, DC 20001

Dear Gerald:

This will confirm our discussions during 2005 bargaining for the AT&T of Puerto Rico/CWA contract regarding card check. The Company agrees to continue the October 31, 1990 letter from P.E. Gorry to Arthur L. Harris regarding card check for the life of the 2005 Memorandum of Agreement.

Sincerely,

/s/Catie Kearney
Senior Specialist – Labor Relations

(M) AGENCY TEMP LETTER (FORMERLY N)

Mr. Gerald W. Souder
CWA Representative
Communications Workers of America
501 Third Street, N.W., 2nd Floor
Washington, DC 20001

Dear Gerald:

This will confirm our understanding , reached during bargaining for the AT&T of Puerto Rico/CWA contract, concerning agency temporaries. It is understood that agency temporaries who hold a position normally filled by a bargaining unit employee (except when backfilling for an employee on disability or leave of absence) will be removed from the roll at the end of three months unless there is agreement otherwise between the Union and the Company.

Sincerely,

/s/Catie Kearney
Senior Specialist – Labor Relations

**(O) AT&T OF PUERTO RICO CRC/SUB-CONTRACTING COMMITTEE
(FORMERLY Q)**

Per discussion during 2005 bargaining, we agree to the following as it applies to the CRC/Sub-Contracting Committee. The Company agrees to discussions at the CRC around issues that involve employees in AT&T of Puerto Rico. If the CRC, under their direction, agree to establish a Sub-Contracting committee to address subcontracting concerns in AT&T of Puerto Rico, they have the authority to do so.

PARTIES' DEMANDS

All demands of either party not specifically covered or disposed of by this Memorandum of Agreement or otherwise addressed in writing signed by the parties during the course of 2015 bargaining are hereby waived for the term of the 2015 Memorandum of Agreement, all such demands having been thoroughly discussed during the collective bargaining negotiations which are, by the execution of this Memorandum of Agreement, concluded. Unless otherwise specifically agreed in writing, neither party shall be obligated to bargain collectively during the term of this Memorandum of Agreement with respect to modification of their provisions or with respect to the demands of either party that have been the subject of the negotiations hereby concluded.

EFFECTIVE DATES

Unless otherwise set forth herein, this Memorandum of Agreement shall be effective April 12, 2015; provided however, that to be effective: (1) it must be ratified by the Union's members in the bargaining unit by June 26, 2015; (2) the Union must notify the Company in writing on or before such date and (3) the President of the Union must approve the Memorandum of Agreement in writing on or before such date.

Notwithstanding such ratifications, this Memorandum of Agreement shall not apply to any employee who resigns, is laid off, or is dismissed prior to the receipt of such approval and ratification.

In the event the Memorandum of Agreement is not ratified and/or the Company does not receive written notification by the agreed upon date, this Memorandum shall be without force and effect.

DURATION

This Memorandum of Agreement shall terminate, unless extended by mutual agreement, at 11:59 PM on April 14, 2018.

In witness whereof the parties have caused this Memorandum of Agreement to be signed in their respective names by their authorized representatives duly empowered in their behalf.

Company

Union

/s/Andrea R. Ward

Lead Labor Relations Manager

/s/Martha Flagge

CWA Representative

/s/Luis M. Benitez-Burgos

President CWA Local 3010

CONCURRED:

/s/Bill Bates

Vice President, CWA

APPROVED:

/s/Diane Bradley

AVP, Labor Relations

/s/Larry Cohen

President, CWA

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2018

January

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
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February

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March

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April

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May

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July

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22	23	24	25	26	27	28
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August

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September

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October

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21	22	23	24	25	26	27
28	29	30	31			

November

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18	19	20	21	22	23	24
25	26	27	28	29	30	

December

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²³ / ₃₀	²⁴ / ₃₁	25	26	27	28	29



